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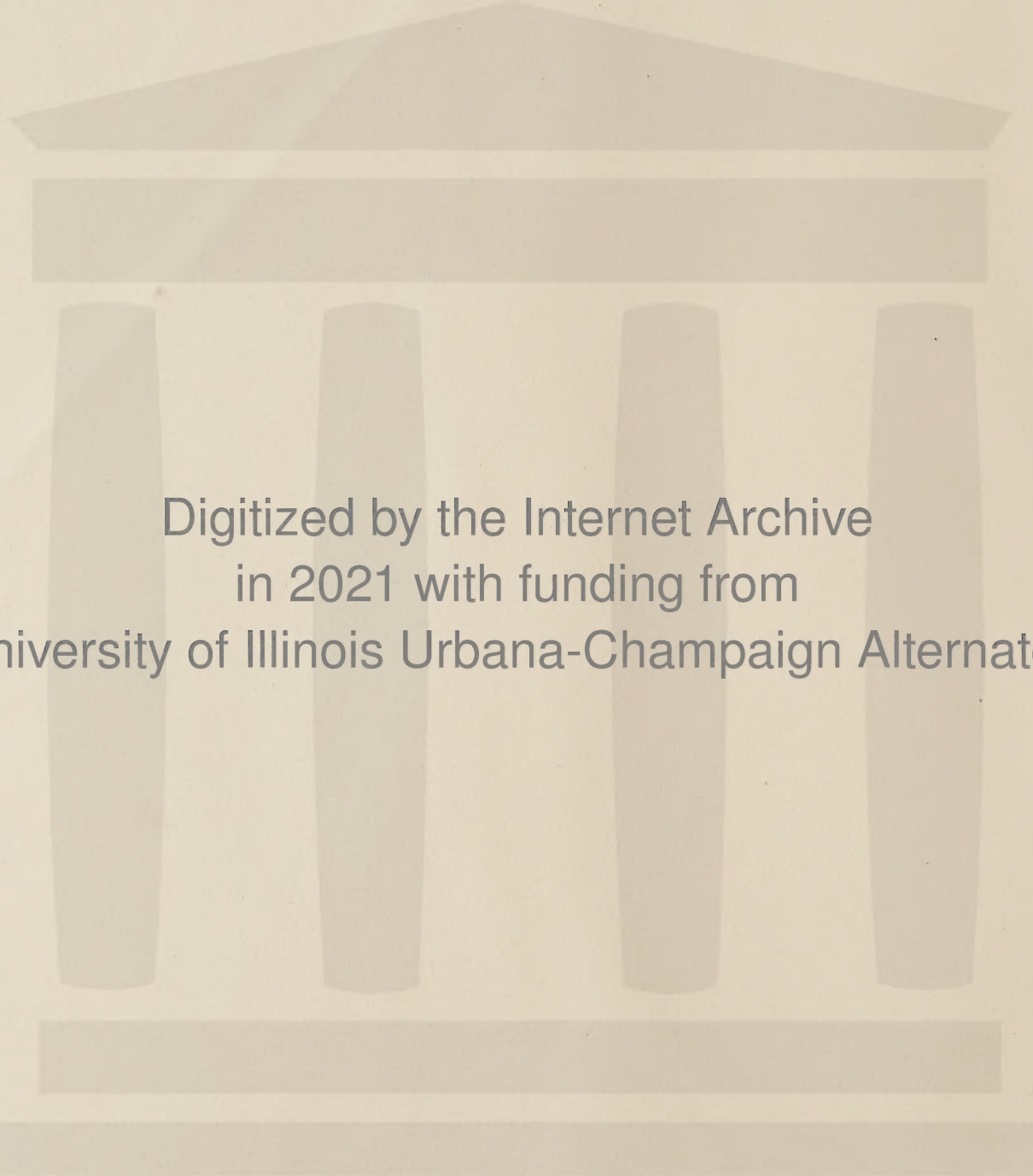
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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

JANUARY 6, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

NATIONAL CITY BANK CIRCULAR

The National City Bank circular for January is a virile document, as such should be. It says in part that "it may be said that there is less unrest now than there was before the ending of the extraordinary McNamara cases at Los Angeles. This one episode alone has been of more significance than most people realize, as it has been influential in subduing those labor leaders who aim to accomplish their ends at all hazards, even if violence is necessary. While the best men in the labor unions have always discountenanced such methods, the fact is that they were practiced by irresponsible leaders, who had a large following, which made it possible for them to work immense injury to all concerned. For these reasons it is gratifying that the worst element among labor men has been made to see that the continuance of such practices will not be tolerated in the United States. Because of the recent period of slow times which the country has witnessed, there is a less insistent demand on the part of labor for higher wages, and the tendency seems to be in the direction for both employers and employees to work more harmoniously."

J. B. FORGAN REVIEWS BANK YEAR

In reviewing the year's business of the First National and the First Trust and Savings, President James B. Forgan sent the following résumé of condition to stockholders accompanying the annual statement for the banks:

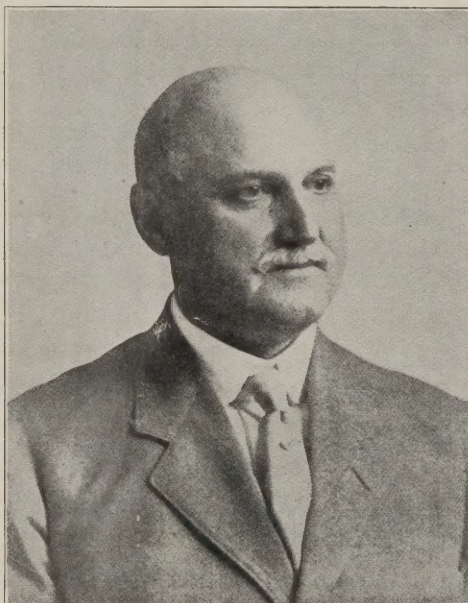
"The demand for money for industrial purposes has been limited, the supply having been fully equal to the demand, and low rates of interest have prevailed throughout the year. These low rates are reflected in the reduced earnings of the First National Bank as compared with those of the previous year, but as the amount necessary to be deducted from gross profits to provide for losses is this year about \$200,000 less than last year, the net profits for 1911 fall short of those of 1910 by only \$44,601.02.

"In the First Trust and Savings Bank the profits have been well maintained, showing an increase over the previous year. This is a satisfactory outcome of the year's business, considering the more or less depressed condition of the investment security market, the comparatively small number of new bond issues brought out and the low rates of interest prevailing on collaterally secured loans during the year.

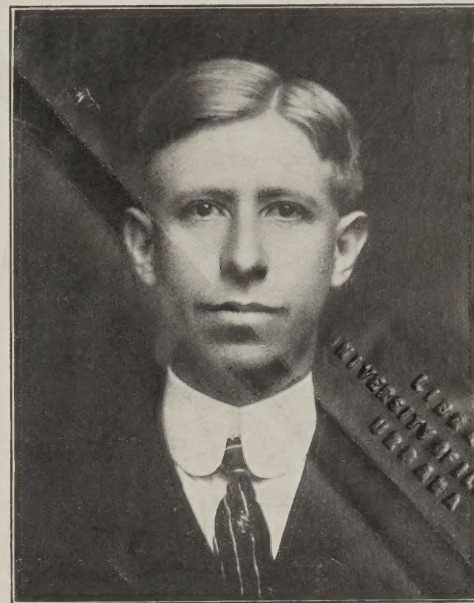
"Such losses as have occurred or can be anticipated have been provided for out of gross earnings and there are no past due or defaulted obligations either as to principal or interest among the current assets of either bank. The affiliated banks again show satisfactory earnings for the year on their average aggregate capital employed, viz., 10.8 per cent. The net profits for 1911 (all losses provided for) of the First National Bank are \$1,778,571.25, as compared with \$1,823,172.27 last year, and the net profits of the First Trust and Savings Bank for the year are \$1,094,973.81, as compared with \$940,604.63 last year.

"On the recommendation of the directors the shareholders of the First Trust and Savings Bank at a special meeting held on De-

Missouri Association Officials



A. H. WAITE
JOPLIN



R. R. CALKINS
ST. JOSEPH

A. H. Waite, president of the Joplin National Bank, is president of the Missouri Bankers Association.

R. R. Calkins, vice-president of the German American National, at St. Joseph, is the association's vice-president.

ember 19th last, voted to increase the capital stock of the First Trust and Savings Bank to \$5,000,000 by transferring \$2,500,000 from surplus account, which takes effect to-day. Each shareholder has now a beneficial interest of half a share in the First Trust and Savings Bank stock for every share of First National Bank stock owned."

SWIFT & CO. HAS GOOD YEAR

Net profits of Swift & Co., for the company's fiscal year, ended September 30, 1911, were \$7,137,500. This compares with profits of \$7,050,000 for the previous fiscal year ended September 30, 1910.

In the distribution of these profits, however, the percentage on \$75,000,000, the outstanding capital in 1911, was 8.53 per cent, whereas the profits in 1910 were equal to 11.75 per cent on the then outstanding capital of \$60,000,000. The company had for three-quarters of the 1911 fiscal year \$15,000,000 more capital employed than in 1910.

At the close of the annual meeting directors were elected, and the directors in turn re-elected officers. Following is the roster: President, L. F. Swift; vice-presidents, Edward F. Swift and Charles H. Swift; treasurer, L. A. Carton; secretary, F. S. Hayward;

assistant secretary, C. A. Peacock; assistant treasurer, W. W. Sherman; directors: L. F. Swift, Chicago; Edwin F. Swift, Chicago; Lewis L. Clarke, New York; L. A. Carton, Chicago; L. B. Brainerd, Hartford, Conn.; Charles H. Swift, Chicago; D. M. Anthony, Boston, Mass.

CHICAGO TITLE EARNS 16 PER CENT

Net earnings of the Chicago Title and Trust Company in 1911 were by far the largest the company ever reported. The amount—\$808,513—figures 16.07 per cent on the \$5,000,000 capital, compared with earnings of \$708,838, or 14.18 per cent on the capital, in 1910. In the last year the earnings were a shade more than twice the dividend paid. Of the \$403,513 of undivided profits for the year \$250,000 was carried to surplus, making the total in that account \$1,750,000.

NEW BANK ORGANIZED

The De Quincey State Bank of De Quincey, La., has been organized with a capital stock of \$15,000. W. S. Furguson is president, J. M. Gill is vice-president and J. H. Beall is cashier.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Secretary

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$500,000

JOHN JAY ABBOTT
Vice-President

CHARLES C. WILLSON
Cashier

Officers
GEORGE M. REYNOLDS, President
FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

GEO. B. CALDWELL
Manager Bond Department

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY

Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
Circulars on application

105 South La Salle Street

CHICAGO



OLD COLONY TRUST AND SAVINGS BANK

Old Colony Building

CHICAGO

**Capital and Surplus
\$250,000.00**

THAD. H. HOWE - - - President
RALPH C. WILSON - Vice-President and Cashier

Special terms for inactive balances

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital - \$2,000,000
Surplus - 500,000
Deposits - 24,000,000

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
THOMAS E. NEWCOMER, Asst. Cashier
HARRY LAWTON, Manager Foreign Department

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....\$ 9,887,954.84
February 5, 1909.....11,617,691.24
March 29, 1910.....15,041,357.21
January 7, 1911.....16,736,997.29
March 7, 1911.....21,574,956.79
June 7, 1911.....23,137,746.88
September 1, 1911.....24,500,075.82

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Drovers Deposit National Bank OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-eight years rendered Efficient and Quick Service to its Correspondents

Resources, Nine Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER



Mainly About Banks and Bankers

BANKERS as a rule are optimistic for 1912. Those who have expressed themselves have gone on record about as follows:

JAMES B. FORGAN: From the standpoint of the banks there seems no likelihood of the demoralization of interest rates which a short time ago it was feared might take place after the first of the year. There is enough business in sight now to keep bank funds fully employed at fairly profitable rates well into the spring, and the probabilities are that the same conditions will last throughout the year.

ERNEST A. HAMILL: The most important question calling for adjustment is that of labor. There is an unequitable balance between the present prices for labor (which have been continually working higher) and the reduction of, or absence of, equalizing freight rates upon which axis labor adjustments largely revolve. It is, I believe, generally conceded we may not hope for marked improvement in present economic conditions until the more pertinent questions attaching to labor are solved.

NELSON N. LAMPERT: The country is all right. Collections are a little slow because much of the farm surplus is being held back for better prices, but nevertheless, nearly all the banks will still have considerable idle money after taking care of the January disbursements. While it is only natural to look for a slowing up of trade through the campaign, I am sure the nation has regained its courage, and that a decided improvement will be recorded in the year's business.

CHARLES G. DAWES: I do not think that during the next year we will have any marked difficulty in credits, and that the volume of business, while still done on the close margins that have been incident to the business of the last year, will be somewhat larger.

DAVID R. FORGAN: The regulating, or destroying, of the so-called trusts and the revision of the tariff are both questions of vital importance to business. Can any man at this time form any definite idea regarding either? If the republicans are elected, what will they do? If the democrats win, what will they do? No man knows. I therefore look for a slow-going year for 1912, with easy money, no snap to business and a waiting policy generally.

IN 1900 we had approximately 10,000 banks with assets aggregating \$10,785,000,000. The population of the country at that time was 76,000,000, and the wealth, as computed by the bureau of the census, \$88,000,000,000. At this time the number of reporting banks has increased, as heretofore stated, to more than 24,000 and their assets to \$23,631,000,000. Hence it is seen that while population has increased 25 per cent and wealth in general 47 per cent, the volume of business of

the banks, as evidenced by their assets, has increased 119 per cent.

NOTWITHSTANDING the great increase in the number of banks, there is a growing tendency toward consolidation, and, generally speaking, this is in the interest of better conditions. Statistics are not at command in relation to the extent of activity in this direction on the part of state banks, but during the past year about 100 national banks were liquidated, over 80 per cent of which were closed for the purpose of merging their business with other national or state banks.

"IF nominated I will not accept, if elected I will not serve," which was General Sheridan's formula when his friends wanted him to run, is commended to the chief Faber pusher on the Outlook.

WELL, if Lincoln Steffens and Samuel Gompers lose their jobs, they can go into vaudeville. Many persons discredited in other lines have done well there.

A DISCHARGED life insurance agent, at Chicago, has sued his company on a contract whereby he was to get 75 per cent of the first year's premium, 10 per cent for the next ten years, and 7½ per cent for the life of the policy. Now you know where your good money goes and why your friend (the agent) is so solicitous to have you properly provide for your (and his) family.

ONLY thing that beats it is a western bank giving an ad. contract to a New York solicitor, who gets a commission of 52½ per cent.

WHAT puzzles us is, how the packers ever got prices up so high by meeting only once a week? Wonderful!

SEVEN different times we tried to make up a list of the men we'd like to see head the democratic ticket, and regular as taxes, Wilson came to the top.

COL. GEO. (B. M.) HARVEY, of Harper's, says he's for Wilson because "he is thoroughly equipped mentally, morally, by birth, training and experience; because his conception of public office is true; because he is constructive and efficient; because he is free; because he is a democrat; because he would be elected."

WG. STURGES figures that the average quotation on New York exchange between banks in Chicago in 1911 was 12½ cents premium per \$1,000. This is the highest average reached, except in 1908, when it was 15 cents.

THE State Bank of Chicago has transferred \$500,000 from the bank's undivided earnings to surplus account. This makes a total surplus of \$2,000,000. The bank's capital is \$1,500,000 and its deposits about \$25,000,000.

OWEN J. REEVES will be the only national bank examiner assigned to the Chicago district hereafter. Heretofore there

have been two. The strong supervision of the Chicago clearing house is the real reason and hereafter the national examiner will be in once in eight or ten months instead of twice yearly.

C. H. MEYER, who was an examiner last year, now is president of the Security banks on the West Side in which Mr. Forgan is interested.

CHICAGO Italians are smarter than their brothers in Philadelphia, where the Italian private banks are fighting state inspection under the new law in the courts. In Chicago Italian citizens in connection with downtown bankers are organizing the State Bank of Italy to be started with \$200,000 capital and \$50,000 surplus.

JUDGE LANDIS was again reversed, this week, by the federal circuit court. Probably used to it by now?

CHAS. EUGENE CLARK is president of the Kentucky State League of Building Associations, but he ought to have been a poet. His apostrophe to his natal state and to what the B. and L. associations do for the people will hold the record for some time in the grandiloquent line of English as she is spoke in Kaintuck. A postal will reach the fountain at Covington.

NORTHERN TRUST only required 20,000 dollars more to make it thirty millions deposits in the annual statement.

TOO much oil being pumped in California. Six months' supply now in storage. Bankers should hold back advances in such a field and thus naturally restrict production. Prices and notes both would be made better by such a course.

COL. I. S. AISTHORPE. First Bank and Trust, Cairo, sent out one of the neatest New Year's cards seen in these precincts.

ALLERTON, GREENE & KING send out one of the best of the January investment circulars. Might pay you to have a look at it?

JAPS are a queer lot. One has named one of his boys "Pushing to the Front," and the other, "Rising in the World," using the titles of two of Orison Swett Marden's popular books for boys. In Japanese the titles are condensed into one word.

THE recent sudden death in New York of Henry Snowden Ward, the distinguished secretary of the Dickens Fellowship in England, is as sincerely deplored in America as in the land of his birth. His delightful lectures on Dickens and Shakespeare have been popular literary features of this season; and one of his latest acts was the preparation of an illuminating article for Lippincott's Magazine on "Charles Dickens and Women," which will be published in February when the Dickens centenary is due.

JUST one week later came the death of Alfred Tennyson Dickens, also in New York. (Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President

Produce Bank
CHICAGO

RALPH N. BALLOU, Cashier
H. B. AHRENSFELD, Asst. Cashier



REMITTS

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

JOHN A. LYNCH, President	W. T. FENTON, Vice-President
R. M. MCKINNEY, Cashier	O. H. SWAN, Asst. Cashier
JAMES M. HURST, Asst. Cashier	WM. B. LAVINIA, Asst. Cashier
W. H. HURLEY, Asst. Cashier	WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.	

FIRST NATIONAL BANK MINNEAPOLIS

Why Should Anyone Burden His Friends

with the care of his estate and also expose it to the risks of individual trusteeship, when he can name a responsible Trust Company an unfailing executor and trustee?

This Company has wide investing experience, a permanent organization, ample capital, and highly specialized facilities for many sided service. No individual is in a position to afford as extensive protection.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

DIRECTORS

A. C. BARTLETT	MARVIN HUGHITT	ALBERT A. SPRAGUE
WILLIAM A. FULLER	CHARLES L. HUTCHINSON	SOLOMON A. SMITH
ERNEST A. HAMILL	MARTIN A. RYERSON	BYRON L. SMITH

THE FIRST NATIONAL BANK OF CHICAGO

Cordially invites accounts of banks and bankers, extending through a specially organized official staff the facilities acquired during forty-eight years of continuous, successful experience.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-Pres.

JOHN F. HAGEY, Asst. Cash.

CORN EXCHANGE NATIONAL BANK . . OF CHICAGO, ILLINOIS

CAPITAL . . \$3,000,000.00
SURPLUS . . \$5,000,000.00
UNDIV. PROF. \$ 500,000.00

ERNEST A. HAMILL, President

CHARLES L. HUTCHINSON, Vice-President	FRANK W. SMITH, Cashier
D. A. MOULTON, Vice-President	JOHN C. NEELY, Secretary
CHAUNCEY J. BLAIR, Vice-President	J. E. MAASS, Assistant Cashier
B. C. SAMMONS, Vice-President	JAMES G. WAKEFIELD, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

DIRECTORS

Charles H. Wacker	Charles H. Hulburd	Martin A. Ryerson
Clarence Buckingham	Edwin G. Foreman	Benjamin Carpenter
Edward A. Shedd	Frederick W. Crosby	Charles L. Hutchinson
Edward B. Butler	Chauncey J. Blair	Watson F. Blair
	Ernest A. Hamill	Clyde M. Carr

The LIVE STOCK Exchange National BANK of CHICAGO

Capital Stock \$1,250,000.00 Surplus \$400,000.00

OFFICERS

W. A. HEATH, President	A. W. AXTELL, Assistant Cashier
G. A. RYTHER, Vice-President	H. E. HERRICK, Assistant Cashier
G. F. EMERY, Cashier	

DIRECTORS

J. Ogden Armour	James H. Ashby	Edward Morris
W. A. Heath	Arthur G. Leonard	J. A. Spoor
G. A. Ryther	Samuel Cozzens	Edward F. Swift
Charles M. Macfarlane		H. E. Poronto

WE INVITE YOUR BUSINESS

THE CHICAGO BANKER

Founded in 1898

VOLUME XXXII

CHICAGO, JANUARY 6, 1912

NUMBER 1

Principal Financial and Economic Events in 1911

President Schurman of Cornell named the capture of the McNamaras by Detective W. J. Burns as the greatest individual feat accomplished in 1911. Not less than three other public men gave the same opinion.

Weighty Trust Decisions

Trust decisions, reciprocity in trade with Canada and tariff legislation held the center of the stage in the United States. Few court utterances in modern times have attracted more general comment than the verdicts of the supreme tribunal of the land in the Standard Oil and tobacco trust cases, delivered in Washington, D. C., May 15th and May 29th. The finding in each case was that the corporation was a combination in restraint of trade and therefore in violation of the Sherman anti-trust law. Both combinations were ordered dissolved within a specified time, and this was done toward the close of the year.

In each case Justice John M. Harlan, since deceased, filed an opinion concurring in part and dissenting in part with the views of the majority of the court. The substance of his objection was that while the majority held, notwithstanding the language of the Sherman act, that it excepted contracts which were not in unreasonable restraint of trade, he considered every contract in restraint of trade to be in violation of the act.

"If," he said, "the act ought to read as contended for by the defendants, congress is the body to amend it, and not this court, by a process of judicial legislation wholly unjustifiable."

The conflicting opinions of the supreme court were reflected in congress, in the press and in legal and business circles generally, and the discussion has not yet ceased.

Prosecutions under the Sherman act against the United States Steel corporation, the so-called wire trust and various other concerns were begun during the year and those started previously, especially that against the packers, were pushed with vigor. There were complaints in some quarters that the energy displayed by the government in this direction was tending to revive destructive competition in business and that annihilation rather than regulation would be the result. This was denied by the administration and its friends.

Reciprocity Plan Fails

President Taft sent to congress January 26th a reciprocity agreement with Canada, with a message recommending that it be enacted into law. A bill embodying the terms of the agreement passed the house February 14th, but no action was taken in the senate before the expiration of the 61st congress by limitation March 4th. The president thereupon called a special session of the 62d congress to begin April 4th to consider the measure. The house passed the bill April 21st, and the senate concurred July 26th, the bill becoming a law July 26th, when it was signed by the president.

Strong opposition developed in the Canadian parliament, and as filibustering tactics were adopted Premier Laurier caused the law-making body to be dissolved, and orders were issued for the election of new members Sep-

tember 21st. At the election the government was decisively defeated and hope of agreement with the United States in the matter of reciprocity had to be abandoned. Laurier and his cabinet resigned to give way to an antireciprocity administration, headed by R. L. Borden.

Reciprocity, had it been approved by Canada, would have made possible the free exchange of many agricultural products and the importation of many articles at reduced duties. It was contended by its champions that it would ultimately have reduced the cost of living and would have promoted closer and friendlier relations between the two countries. There was considerable opposition to the measure in some of the northwestern states, especially in farming communities, while in Canada many persons otherwise well disposed toward the measure were turned from it by a remark made by Champ Clark, speaker of the house in Washington, that he favored the annexation of the dominion to the United States.

Tariff Bills Are Vetoed

While the extra session of the 62d congress was called particularly to dispose of the reciprocity issue, it was not content with that. It passed three tariff bills, known respectively as the farmers' free list bill, the bill to reduce duties on wool and manufactures of wool, and the bill to reduce the duties on manufactures of cotton. All were vetoed by President Taft, who held that in the absence of expert information the bills were crude and unscientific, and therefore not such legislation as he could approve.

Territories Are Admitted

Congress at this session enacted three important laws. One was for making public campaign contributions made for the purpose of influencing the election of representatives in congress; another was for the apportionment of representatives in congress; and the third was for the admission of New Mexico and Arizona under the condition that they amend their constitutions. The change in the New Mexico constitution was merely to make it easier of amendment. Arizona was asked to omit the provision for the recall of judges. In the first bill passed by congress this was retained, but President Taft, in a vigorous message, vetoed it. It may be added that both the prospective states complied with the conditions imposed by congress. Under the new apportionment bill the total number of representatives was fixed at 433, to be increased to 435 in case New Mexico and Arizona became states.

Dynamiters Are Sentenced

John J. McNamara, secretary and treasurer of the International Bridge and Structural Iron Workers' Union, with headquarters in Indianapolis, Ind.; his brother, James B. McNamara, and Ortie E. McManigal were arrested in April on the charge of having caused the dynamiting of a large number of structures throughout the country where there had been labor troubles. The most serious instance was that of the destruction, through an

explosion of the Los Angeles Times building, resulting in the loss of twenty-one lives. The arrests were made by Detective William J. Burns and the prisoners were taken at once to Los Angeles, Cal. Large sums of money were raised for their defense and when James B. McNamara was placed on trial, October 11th, it was expected that the hearing would occupy many weeks.

December 1st, before a jury was secured, the McNamara brothers caused a sensation by pleading guilty, Jas. B. to having blown up the Times building and John J. to being implicated in the dynamiting of the Llewellyn iron works, in Los Angeles. Judge Walter Bordwell, who presided, sentenced the former to imprisonment for life and the latter to fifteen years imprisonment. Both men were taken to San Quentin prison. The Times explosion took place only the day before the big Chicago special to the Los Angeles, 1910, A. B. A. convention, and bankers never will forget the event. Charles H. Huttig offered a resolution in the convention giving \$5,000 to the families of the twenty-one who were killed, and to help the maimed and injured. This money was made instantly available.

Work of Illinois Legislature

Illinois had a quiet year politically. There was no state election and the statesmen had to content themselves with planning for the future. The legislature held two sessions, the first, or regular, meeting lasting from January 4th to June 1st. The second, or extra, session began June 14th, but after a few days it adjourned to October 24th, when it met again for a day or two without accomplishing anything.

At the regular session some useful legislation was enacted, including the employees' compensation law and measures for the prevention of occupational diseases, the limitation of the hours of work for women, the extension of the state and other civil service systems, the establishment of municipal and park pension funds, the acquisition of the Starved Rock property for state park purposes, the creation of a rivers and lakes commission and the prohibition of the common drinking cup. Attempts were made to pass a deep waterway bill, but both at the regular and special sessions it encountered opposition which could not be overcome.

Business Needs to be Reassured

In the course of the strenuous campaign waged by the government against the so called trusts within the last year, business, uncertain of its ground, has picked its way cautiously and with hesitation; capital has been reluctant to venture into new enterprises and the commercial life of the nation as a whole has assumed a subdued tone. Only within the last few weeks has this feeling of restraint given signs of relaxing. It has yielded to a better understanding of the Sherman act and the relation of "big business" to that law.

Well informed business men and bankers are beginning to discard the notion that the law is a stumbling block to progress and prosperity. Rather they are inclined to argue that

The Fourth National Bank of the City of New York

IN every business relation, through prompt, reliable service and its thoroughly systematized equipment, The Fourth National Bank of the City of New York assures its customers exceptional facilities and convenience in the handling of their accounts.

It invites the correspondence of banks, corporations, firms and individuals throughout the country.

CAPITAL AND SURPLUS, \$10,000,000.00

business honestly conducted need no longer have any fear of the law now that the path has been pointed by the supreme court in ordering the dissolution of the Standard Oil and American Tobacco trusts. Agitation against "big business" for political effect has not entirely subsided, but conservative opinion holds that the nation after its campaign of "trust busting" has entered upon a constructive period in which business sentiment is to regulate political opinion rather than the reverse.

Money Is Plentiful

Throughout the year money has been plentiful and borrowers have found no difficulty in securing accommodations at reasonable rates of interest. The conservative attitude of legitimate business curtailed the demand for funds somewhat, while the movement to curb reckless speculation which was started by the banks the year before rendered much capital idle. This is one reason why the banks in this country were able to lend in the neighborhood of \$100,000,000 to Germany in the fall when that country was facing a crisis. Also it explains the large absorption by banks and fiduciary institutions of bonds and high class securities.

A large amount of new securities was brought out by the railroads in the first half of the year, many of which were under the necessity of refinancing former issues, chiefly short term notes; but industrial corporations did a comparatively small amount of new financing.

Aid Given German Bankers

German bankers, who for some time had been under a strain to finance an industrial and speculative "boom" in that country, were suddenly called upon to pay off loans aggregating many millions secured from Paris and London bankers. Good securities had to be sacrificed to meet these demands and large holdings of American stocks and bonds were thrown over. The selling was on a tremendous scale for several days and American bankers, becoming alarmed over the situation, hurried to the aid of the Germans with large loans. In this way the slump in this country was checked, but not until the "average price" had gone down to 67.11. Here the market had the appearance of being sold out and there was a gradual recovery on trade of small dimensions, an "average price" of 71.89 being recorded October 20th. Then came the filing of the suit against the United States Steel corporation by the government and with it another spasm of liquidation under which "Steel common" broke sensationally to 50 and the average price of twenty stocks dropped back to 69.21.

Financial Returns Large

While the yields of the leading crops of the country were smaller by far than in the previous year, corn alone showing a decrease of 355,000,000 bushels, there was a sound basis for agricultural prosperity in that the price returns made the farmers for their crops were in excess of those of 1910. This more than made up for the reductions

in the crops. Naturally, with a partial failure of crops in some sections, the conditions in those localities were less favorable from a financial standpoint, but, taking the country as a whole, the farmers had an extremely good year.

The total value of the eleven principal farm crops, outside of cotton, was \$3,769,000,000, which was \$190,000,000 more than was received by the farmers in the preceding year. Notwithstanding the big reductions in corn and oats compared to the 1910 figures, the net returns as the result of higher prices more than compensated growers as a class for the light yields. Corn values, based on the price on the farm December 1st, were \$181,000,000 more than the preceding year, while oats were worth \$8,000,000 more. Barley sold at the highest level in years, and possibly the highest on record, the top figure for choice malting grades being \$1.30. Corn prices were the highest at the end of the crop year and oats showed a steady enhancement in value from the early part of the season until after harvest.

The value of the entire wheat crop was \$543,000,000, compared to \$564,000,000 the previous year and \$658,000,000 in 1910. Hay and other crops have held at substantial prices throughout the season.

Reynolds Sees Currency Reform Near

President George M. Reynolds of the Continental and Commercial National, gave his views on the nearness and benefits of currency reform as follows: "I believe that there will be currency legislation in the not far distant future. I believe it will come earlier than is generally expected. I believe the American public is too intelligent to delay much longer the settlement of the prime need of the country. It is not the banks alone that are affected. Indeed, it may be said to be secondary with the banks, affecting first of all legitimate business, and through the business situation affecting the banks.

"With all commercial and industrial interests vitally involved it seems hardly likely there will long delay allowed.

"Briefly, the need of the country is the protection of credits up to the extent to which they can be granted for the reasonable and conservative requirements of business. That end, I think, the present plan promises to serve.

"The chief objections raised against it are

that the National Reserve Association will be a 'political football,' and that has been disproved by the clear evidence that the fundamental points of the plan preclude that possibility; that it will be susceptible to Wall Street influence, and that chance was obviated by the rule that not more than four men could be chosen from any one of the fifteen sections; that the concentration of the country's reserves would mean the concentration of the money power.

Will Aid Small Banks

"This objection is based on a confusion of what a reserve really is, failure to distinguish between reserves and money power. Credit, the prime necessity of business, must be furnished. Now, the result of this centralization of reserves as proposed is not the returning to a few banks of the money power. It is the scattering of credit power through the 25,000 banks that will make up the association all through the country. It is a decentralization of the money power. The little bank in Texas will have the same right that the big bank in Chicago or New York or St. Louis will have. It may take its commercial paper to the nearest branch of the association and discount it precisely as we can.

"Of the total business of the country, 96 per cent is done on credit in one form or another. Just 4 per cent is in money transactions. It is easy to see how essential is the building up of credits. It is the business man who is affected most vitally by the lack of credit at critical times, and it is certain the business interests of the country will do all that is possible to push through constructive legislation.

"So, with a better public sentiment in all quarters, better understanding of conditions, the buying power of the country as great as it ever was it is reasonable to look forward to a good year, and that I think 1912 will be."

INDORSE POSITION OF ILLINOIS BANKERS

The State Teachers Association, at Springfield, indorsed the position taken by the Illinois Bankers Association in regard to agricultural education in the following resolution:

Whereas, The Illinois State Teachers Association in annual convention assembled, is glad to know that the Illinois Bankers Association, through its committee on agricultural and vocational education, has taken up the matter of better educational methods, for Illinois, and hopes to draft a bill with especial reference to agricultural and vocational features, therefore be it

Resolved, That we express our appreciation of their interest in the cause of education, and that we offer them our help and support. And further, that we appoint a committee of five that will stand ready, at their call, to co-operate with them in every way, and to report progress at the next regular meeting of this association.

SITUATION WANTED

In an out-of-town bank, *by a trained bank man.* A live, energetic young man, efficient in any bank position. Now

employed, but wants a better place. Thoroughly versed in all forms of bank advertising, and a business builder. Best of references. Address,

Bank Man

Care of Chicago Banker



125 West Monroe Street
CHICAGO

Central Trust Company OF ILLINOIS

Capital and Surplus, \$3,000,000
Deposits - - - 35,000,000

Accounts of banks and bankers received upon favorable terms

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals



NATIONAL BANK OF COMMERCE IN NEW YORK

is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over \$40,000,000.00



Banking Results in Chicago for 1911 "Satisfactory"

Bankers have known, of course, that 1911 was not a record, nor a record breaker in their line. This is true of centers, cities and of towns. Business did not justify any greater credits than were extended, and thus the line of exchanges and deposits were somewhat restricted. The year in Chicago differed little from experiences in other places and profits were not up to the best years. "Satisfactory" is the word most often heard by way of comment. While profits were not as large as in some former years, neither were the losses. A few banks were "stung" hard enough on two or three occasions to make them notice the loss, but, taking it all in all, the amount written off during the year was comparatively small. Nearly all through the year money rates were low. In most of the prominent banks this was more than balanced by increased deposits and loanable funds. And in a general way the banks of the city kept their funds well employed.

Deposits Nearly Billion

The growth in deposits during the year was large, the total in all the banks being so close to the billion dollar mark that the bankers expect to pass it in the present year. Early in January the deposits reported by all the banks in Chicago reached a total of \$840,000,000. Two months later the amount had increased \$70,000,000 and by June 7th it was up to virtually \$945,000,000. There was a further increase of about \$4,000,000 by September and the local banks were then at their top mark in deposits—\$948,000,000. Owing to the withdrawal of country balances on account of the movement of the crops, the total had sagged to \$938,700,000 on December 5th, the date of

the last official statement published. This volume of deposits, local bankers claim, establishes Chicago firmly as a financial center of the first importance, and its prestige appears to be growing rapidly and steadily.

Consolidations Are Few

Bank consolidations during the year were few in number and not of particular significance in the general situation. The first change of particular interest in this direction was the purchase of the Hibernian Banking Association by the Continental and Commercial National, the \$1,500,000 capital stock of the former being exchanged for an equal amount of the stock of the latter and then being deposited in trust. The Hibernian was not merged into the purchasing bank, however, but is still operated as a separate institution. Earlier in the year the new Peoples Trust and Savings Bank had purchased the business of the Railway Exchange. Toward the end of the year the Central Trust purchased two state banks older than itself and one small national bank. The institutions taken over were the Western Trust and Savings, the Metropolitan Trust and Savings and the Monroe National. In order to effect these purchases the Central Trust increased its capital from \$2,000,000 to \$3,500,000.

Increases in Capital

During the year several banks increased their capital to take care of the requirements of larger business. In May the Fort Dearborn National issued \$500,000 of new stock at 125 in order to provide capital for its trust company and savings bank. At the same time the National City issued \$500,000 of new stock at par. The Chicago Savings Bank doubled its capital in May by the issue of \$500,000 of new stock at 120. The Northwestern Trust added \$50,000 to its former \$200,000 of capital, selling the new shares at 150. The Union Bank added \$300,000 to its capital, the issue being at 125. Besides these regular increases, several of the banks declared stock dividends out of surplus account. The principal one of these was the 100 per cent stock dividend declared by the First Trust and Savings, that institution having capitalized \$2,500,000 of surplus on December 30th. Earlier in the year the Harris Trust and Savings gave its stockholders a stock dividend of 20 per cent, or \$250,000 in par value. On stock for which \$500 a share is bid a dividend of that kind is worth \$1,250,000.

Stock Dividends Bid

During the summer the Kaspar State Bank paid a stock dividend of 65 per cent on its old \$200,000 of capital and sold enough more at par to raise the total capital to \$400,000. The Security Bank had previously provided the capital of the Second Security by issuing \$100,000 of its own stock at par and then declaring a stock dividend of 50 per cent, or \$200,000. Late in the year the stockholders of the West Side Trust and Savings Bank

American Telephone & Telegraph Co.

A dividend of Two Dollars per share will be paid on Monday, January 15, 1912, to stockholders of record at the close of business on Saturday, December 30, 1911.

WILLIAM R. DRIVER, Treasurer.

THE FARMERS' AND MECHANICS' NATIONAL BANK

OF PHILADELPHIA, PA.
427 CHESTNUT STREET

Capital - - - \$2,000,000.00
Surplus and Profits 1,452,000.00
ORGANIZED JANUARY 17, 1807
Dividends Paid - \$13,197,000.00

OFFICERS

Howard W. Lewis, President
Henry B. Bartow, Cashier John Mason, Transfer Officer
Oscar E. Weiss, Assistant Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS, 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. Corner La Salle and Washington Streets

Capital - - - \$1,500,000
Surplus and profits (earned) 1,922,000
Deposits over - - - 24,000,000

OFFICERS

L. A. GODDARD, President FRANK I. PACKARD, Asst. Cashier
JOHN R. LINDGREN, Vice-President C. EDWARD CARLSON, Asst. Cashier
HENRY A. HAUGAN, Vice-President SAMUEL E. KNECHT, Secretary
HENRY S. HENSCHEN, Cashier WILLIAM C. MILLER, Asst. Secretary

YOUR CHICAGO BUSINESS RESPECTFULLY INVITED



IF YOU HAVE NO CORRESPONDENT

IN CINCINNATI

We will welcome the opportunity of proving to you the benefits which will accrue from forming a connection with us



authorized the payment of a 50 per cent stock dividend amounting to \$100,000, and the issue of another \$100,000 of capital at par, making the total capital \$400,000. This change will be effective early this year. Only one banking institution in the city went on the rocks during the year, and that—the Farwell Trust—was not in reality a bank, but a promotion company. The small amount of money it held on deposit was paid off before any announcement of its trouble was published.

New Banks Established

Several new banks were started in the city during the year, but nearly all of them were in the outlying districts. The only deal of the kind involving an important amount of capital in the downtown district was the conversion of a private into a state chartered institution. This is the Greenebaum Sons Bank and Trust Company, with \$1,500,000 capital. Other banks started during the year are the American State, the Douglas State, the Guaranty Trust and Savings, the Home Bank and Trust Company, the Mid-City Trust and Savings and the Old Colony Trust and Savings. Only a few banks increased the dividend rates on their capital stock. It was not considered good policy to incur this extra expenditure in a period when there was so much business uncertainty and so moderate a demand for money. Prices of bank stocks, however, were nearly all higher at the end of the year than at the beginning. In some cases excellent price gains were made. Trading in bank stocks was not active during the year, but there were spasmodic spurts of buying in issues that were affected by consolidation or capital increase.

FARMERS LIKE AGRICULTURAL EDUCATION

Geneseo, Ill., January 2.—The school of agriculture and household science for the fifteenth congressional district opened to-day with a large registration. Farmers and their wives are taking advantage of the opportunities offered. About 100 boys already are en-

rolled for study of grain and stock. The girls' household science class numbers 50. The farmers appreciate the privileges extended by the state farmers' institute and the state university.

POSTAL SAVINGS DURING 1911

Within the year just ended 5,185 postal savings banks have been established, and their combined deposits now exceed \$14,000,000.

Only forty-eight postal banks were established in the first four months of the year. During practically half of the year the system was in its experimental stage, and not until it was found to work admirably did the postmaster-general begin to create postal banks on a wholesale plan. When the system is installed to its full extent there will be more than 10,000 banks doing business, and it is estimated that not less than \$200,000,000 will be deposited annually. More than 25,000 individual postal bank accounts are now in existence. The figures show that 27 per cent of the depositors are foreign born.

GRAHAM & SONS

Bankers

Steamship & Insurance Agents

Established 1857

Interest on Deposits—Accounts solicited
Money to Loan on Real Estate

Open Evenings—Hours 9 a. m. to 9 p. m.

661 WEST MADISON STREET, CHICAGO

PITTSBURGH BANKS PROSPEROUS

Banks of Pittsburgh, both state and national institutions, have enjoyed a year of prosperity and enter the new year with wonderful prospects considering the present expansion in general trade, and the likelihood of the industries on which Pittsburgh prides itself having a major share in the revival. Deposits have been maintained at record levels throughout the year. The twenty-eight national banks at their last statement were somewhat below the best figure reached during the year, which was also the best twelve-month in the history of the city's national banking, but reasons of only momentary force brought about the decrease. The twenty-five state banks and thirty-one trust companies at their last statement were at the best deposit figures in their histories. The surplus and undivided profits accounts of the institutions display a healthy growth and demonstrate the soundness of the banking power of the community.

The year was not a very eventful one for the institutions. No developments of extraordinary importance took place, there were no mergers and comparatively few changes in personnel. The First National Bank was the most prominent institution in a new sense. Its most important move was in transferring its property to a new corporation, which is now erecting additional floors to the original beautiful banking structure of three stories, the result to be one of the most imposing office buildings in the country. It gained a new president in the person of Oscar L. Telling formerly connected with the office of the comptroller of the currency in Washington. James S. Kuhn retired from the presidency, but was elevated to the office of chairman of the board of directors.

The First National Bank, Kenosha, Wis., has increased its capital stock to \$150,000. Charles C. Brown, president of the Wisconsin State Bankers Association, was re-elected president.

BEFORE AND AFTER

The interest aroused by our December advertisement makes it desirable that we should more fully illustrate the Re-enforced Concrete Dam at Pittsfield, Mass., that tried to go out and couldn't



View of Blow-Out Showing the Slight Sag

and a "blow-out" formed 53 feet wide, 20 feet deep, and extending 50 feet above and below the dam. With any other type of dam the whole structure would have immediately collapsed into the pit and the disaster would have been final. How completely, although unwittingly, our dam escaped this catastrophe is best shown in the photograph. By close scrutiny a sag of about 5 inches can barely be detected in the down-stream view.

What happened was that the steel used in reinforcing the floor to distribute base pressures chanced to be sufficient to convert the floor into the bottom chord of a girder so that the dam sagged only to an amount representing the elasticity of the steel. The deck was not cracked nor was any damage done to the structure itself. The cut-off wall was afterwards carried down to rock and piers built under the exposed buttresses, which were jacked up level. The hole was then filled up and the dam is today doing service as if nothing had happened—as witness, the photograph. The location of the "blow-out" on the cut is about half an inch from the further end of the dam.

It is proper to say that by their express stipulation written into the contract the owners assumed all responsibility for the foundations, the responsibility of this Company beginning with the superstructure itself.

Respectfully submitted,

In December of 1908 occurred one of the most remarkable events in the annals of Hydraulics. During that year we had built a reservoir dam with a small spillway, 42 feet high, on a clay foundation, the rock being at too great a depth to warrant excavation. While the clay was apparently sound, it developed that there was a water-bearing stratum some 20 feet below the surface, which communicated with the pond.

After a period of soaking fall rains, when the reservoir was full and running over the spillway, the attendant noted water boiling up through the soft earth some 50 feet below the dam. This rapidly increased and in a few minutes the water broke through in volume and in less than an hour the whole reservoir was empty.

Location of Blow-Out



Dam as Releveled and Refilled after the Blow-Out

Ambursen Hydraulic Construction Co.

Engineer—Constructors

88 PEARL STREET, BOSTON, MASS.

New York Office
City Investing Building
165 Broadway

All Canadian Inquires should be addressed to
Ambursen Hydraulic Construction Co., of Canada, Ltd.
405 Dorchester Street, West, Montreal, P. Q.



ESTABLISHED 1902

CHICAGO SAVINGS BANK AND TRUST CO.

STATE AND MADISON STS. CHICAGO.

A large number of our correspondents avail themselves of our Bond Department, and we take pleasure in placing at the disposal of banks and bankers everywhere our facilities for the selection of investments. Railroad, Municipal and other high-grade bonds furnished.

LUCIUS TETER, President EDWARD P. BAILEY, Vice-President JOHN A. McCORMICK, Vice-President WM. M. RICHARDS, Asst. Cashier	OFFICERS EDWARD J. PRESCOTT, Secretary JOHN C. ARMSTRONG, Asst. Secretary	F. O. BIRNEY, Asst. Secretary H. T. SIBLEY, Mgr. Bond Dept. H. L. SCHMITZ, Mgr. Real Estate Loan Dept. WILLIAM T. ANDERSON, Auditor
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CAPITAL ONE MILLION DOLLARS



A STRONG APPEAL FOR SUPPORT

P. W. Hall, secretary for Iowa, sends out the following strong appeal for loyal support: "Do you know that we pay out thousands of dollars to protect you from burglars and frauds, and that not one dollar of this money is paid out of the membership dues, which you pay? Our only source of revenue for protective work is from the profits on burglary insurance and bonds which pass through this office. Now don't you think every bank in Iowa should place all of its burglary and bond business here, so we can thereby increase the efficiency of this protective department?" Then, too, they have employed W. J. Burns, king of all living detectives, to do the work.

LAWSON JOINS FIRST NATIONAL, DETROIT

Detroit, Mich.—George E. Lawson, for 31 years associated with the Peoples State Bank and its predecessor, the Peoples Savings Bank, has been elected vice-president of the First National to fill the vacancy caused by the election of Emory W. Clark to the presidency, succeeding John T. Shaw. Mr. Lawson's new position will require active executive service and will mean his retirement from the vice-presidency of the Peoples State, in which he is also a director. He is likewise a director of the Security Trust Company, and a vice-president of the Bankers Club of Detroit.

PITTSBURGH BANKS MAKE PROTEST

Three of the largest banks in Pittsburgh have filed a bill in court asking a preliminary injunction against the Pittsburgh clearing house, attacking the new rule referring to bills in transit. Farmers Deposit, Mellon National, and Lincoln National are the complainants. It is the first case of the kind upon record, and will be watched carefully by all clearing house banks.

NEW YORK BANK MERGER

New York.—At a meeting on Wednesday night of the directors of the Savoy Trust Company and the Broadway Trust Company the merger of the two institutions was approved. After February 1st all business of the Savoy Trust Company will be transacted in the name and at the offices of the Broadway Trust Company. The combined deposits of the institutions are nearly \$7,000,000.

FIRST NATIONAL, VAN BUREN, ARK.

Among the thriving and prosperous banks of Arkansas, must be mentioned the First National of Van Buren. This institution has a reputation for the soundness of its banking principles, is thoroughly up-to-date in its



W. A. STEELE
Cashier First National, Van Buren, Arkansas

methods, and is a member both of the national and state associations. The cashier, W. A. Steele, recently made a big "hit" with the bank's customers and friends when he mailed several thousand postcards via "Aëroplane Route" League Park, Fort Smith, Arkansas.

Through his enterprise and initiative the bank is constantly gaining in influence in the community. The First National has resources of \$220,530.21, with capital, surplus and profits of \$56,875.25. The deposits are \$147,654.96. The officers are W. H. H. Shibley, president; R. P. Allen, vice-president; W. A. Steele, cashier, and J. J. Izard, assistant cashier.

DAVIDSON COUNTY (TENN.) BOND OFFERING

An issue of \$150,000 state fair bonds will be sold to bidders, at Nashville, Tenn., on January 10th, interest rate 4 per cent. Bonds run to 1926, optional thereafter to 1941. V. I. Witherspoon, vice-president of the Union Trust Company, will furnish information and receive bids. Particulars may be found in advertising column of this issue of THE CHICAGO BANKER.

SOUTHERN CASHIER PLEADS GUILTY

New Orleans, La., January 4.—Herman A. Wulff, until recently cashier of the Commercial Germania Trust and Savings Bank of New Orleans, to-day entered a plea of guilty to charges of obtaining money under false pretenses. He was remanded for sentence.

The Farmers State Bank of Mobridge, S. D., has closed its doors and turned its affairs over to the state banking department.

F. E. FARRELL	Established 1864 E. E. CRABTREE
F. G. FARRELL & COMPANY, Bankers	
Successors to First National Bank	
JACKSONVILLE, ILL.	
ACCOUNTS AND COLLECTIONS SOLICITED	

GUARDIAN TRUST COMPANY OF NEW YORK	CAPITAL & SURPLUS \$1,000,000 Pays a rate of interest consistent with good banking
---	--

Hathaway, Smith, Folds & Company	
Commercial Paper	
137 South La Salle Street	Chicago
Correspondence Invited	

MOLINE ILLINOIS	Peoples Savings Bank & Trust Co. Capital and Surplus \$394,000.00 Deposits over \$3,200,000.00 Solicits Accounts and Collections from Banks, Firms and Individuals on Favorable Terms WM. BUTTERWORTH, Pres. NELSON H. GREENE, Vice-Pres. and Cash. R. C. SHALLBERG, Asst. Cash.	MOLINE ILLINOIS
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Fidelity and Forgery
BONDS

Burglary Insurance

National Surety Company

ILLINOIS ADVISORY BOARD

Charles G. Dawes, Resident Vice-President	John A. Spoor, David R. Forgan, Resident Directors	John S. Runnells
A. J. Earling	Walter H. Wilson	S. M. Felton
	George M. Reynolds	

Joyce & Company
(Incorporated)

General Agents

The Rookery Chicago

Bank Elections

The national and most of the state banks of Chicago will hold their annual meetings and elections on next Tuesday, January 9th. Those which met Tuesday of this week made few changes in their official lists.

Stockholders of the Merchants Loan and Trust Company elected five new directors. They are Frank H. Armstrong, Henry P. Crowell, Seymour Morris, John G. Shedd and Albert A. Sprague II. The directors re-elected the old officers without change. The list is as follows:

President—Orson Smith.
Vice-presidents—E. D. Hulbert, F. G. Nelson and J. E. Blunt, Jr.
Cashier—J. G. Orchard.
Assistant Cashiers—P. C. Peterson and C. E. Estes.
Secretary—Leon L. Loehr.
Directors—Frank H. Armstrong, Enos M. Barton, Clarence A. Burley, Henry P. Crowell, William A. Gardner, Elbert H. Gary, Edmund D. Hulbert, Chauncey Keep, Thies J. Lefens, Cyrus H. McCormick, Seymour Morris, John S. Runnells, Edward L. Ryerson, John G. Shedd, Orson Smith, Albert A. Sprague II, and Moses J. Wentworth.

The directors ordered the transfer of another \$1,000,000 from undivided profits to surplus, making the latter account \$6,000,000, or twice the capital stock.

At the annual meeting of stockholders of the Colonial Trust and Savings Bank, W. R. Moorhouse and J. M. Hopkins were elected to the board of directors and S. B. Thomas dropped out. The officers were re-elected and the list is as follows:

President—L. C. Rose.
Vice-president—Jacob Mortenson.
Vice-President and Cashier—R. C. Keller.
Assistant Cashiers—Emil Stuedli, W. F. Dogget, H. A. Sadler and W. J. Feldmann.
Directors—H. G. B. Alexander, H. S. Black, G. H. Coney, John T. Emery, J. M. Hopkins, R. C. Keller, George Lytton, J. Mortenson, W. R. Moorhouse, J. D. Ross, W. N. Rumely, D. J. Schuyler, A. W. Underwood, J. G. Walker, W. D. Young and L. C. Rose.

Stockholders of the Stockyards Savings Bank re-elected the directors and the board re-elected the old officers, as follows:

President—C. N. Stanton.
Vice-president—J. A. Spoor.
Cashier—Edward E. Payne.
Assistant Cashier—James Burgess.
Directors—J. O. Armour, J. H. Ashby, J. A. Spoor, L. F. Swift, A. G. Leonard, Edward Morris, Samuel Cozzens, C. M. Macfarlane, W. A. Heath and C. N. Stanton.

The stockholders of the Northern Trust Company re-elected the following directors: A. C. Bartlett, William A. Fuller, Ernest A. Hamill, Marvin Hughitt, Charles L. Hutchinson, Martin A. Ryerson, Albert A. Sprague, Solomon A. Smith and Byron L. Smith. The following officers were elected:

President—Byron L. Smith.
Vice-presidents—F. L. Hankey, Solomon A. Smith and H. O. Edmonds.
Secretary—Arthur Heurtley.
Assistant Secretaries—H. H. Rockwell and Bruce D. Smith.
Cashier—Thomas C. King.
Assistant Cashiers—Robert McLeod, G. J. Miller and Richard M. Hanson.

The Mid-City Trust and Savings Bank stockholders have re-elected the old directors and the directors have re-elected the retiring officers.

Stockholders of the Woodlawn Trust and Savings Bank at their annual meeting elected

Guaranty Trust Company of New York

28 Nassau Street

Fifth Avenue Branch,
5th Ave. & 43d St.

London Office,
33 Lombard St., E. C.

Condensed Statement, December 21, 1911

RESOURCES

Real Estate	\$2,403,461.13
Bonds and Mortgages	169,000.00
Public Securities	10,611,609.61
Other Securities	43,909,466.89
Loans and Bills Purchased	74,327,961.96
Cash on Hand and in Banks	33,004,863.89
Exchanges for Clearing House	11,224,523.28
Foreign Exchange	30,920,108.93
Accrued Int. and Accts. Receivable	998,665.92
	\$207,569,661.61

LIABILITIES

Capital	\$5,000,000.00
Surplus	18,000,000.00
Undivided Profits	3,664,091.33
Outstanding Treasurer's Checks	6,972,210.41
Accrued Interest Payable	1,369,144.50
Reserve for Taxes and Expenses	129,557.02
Foreign Accounts	16,411,806.65
Deposits	156,022,851.70
	\$207,569,661.61

Directors

Levi P. Morton, Chairman		
Charles H. Allen	Edwin Hawley	William H. Porter
George F. Baker	Alexander J. Hemphill	Samuel Rea
Edward J. Berwind	Walter S. Johnston	Daniel G. Reid
Urban H. Broughton	Augustus D. Juilliard	John D. Ryan
Edmund C. Converse	Thomas W. Lamont	Thomas F. Ryan
T. De Witt Cuyler	Edgar L. Marston	Charles H. Sabin
Henry P. Davison	John R. Morron	William D. Sloane
James B. Duke	Gates W. McGarrah	Valentine P. Snyder
Robert W. Goelet	Charles A. Peabody	Harry Payne Whitney
Daniel Guggenheim		Albert H. Wiggin

Officers

Alexander J. Hemphill, President	Charles H. Sabin, Vice-President
Max May, Vice-President	L. B. Franklin, Vice-President
J. M. Pratt, Vice-President	C. D. Landale, Mgr. 5th Ave. Branch
W. C. Edwards, Treasurer	E. C. Hebbard, Secretary
F. J. H. Sutton, Trust Officer	F. C. Harriman, Asst. Treasurer
W. F. H. Koelsch, Asst. Secretary	Walter Meacham, Asst. Secretary
J. I. Burke, Asst. Secretary	N. D. Putnam, Jr., Asst. Secretary
Robert H. Cox, Asst. Secretary	

Deposits, Dec. 31, 1910\$124,684,139

Deposits, Dec. 21, 1911156,022,851

as directors William D. McKey, Charles M. Poague, Arthur W. Tobias, Lemuel B. Patterson and J. Fletcher Farrel. A report for last year shows net earnings on the capital stock of \$200,000, or over 21 per cent. The following officers were elected:

President—William D. McKey.
Vice-president—Charles M. Poague.
Cashier—John W. Watson.
Assistant Cashier—Theodore Jessup.

Chicago, Ill.—The Halsted Street State Bank has been organized with \$200,000 capital. E. L. Roberts, Siets J. DeVries and Henry F. Eidmann are interested.

BOUQUET FOR NATIONAL SURETY

Secretary Hall of Iowa says in his recent letter to members that "we place all of our insurance and bonds through the National Surety Company, which is known everywhere as 'The Leading Surety Company,' but some of our members place their business with competitive companies and such companies are chuckling over it because they get the business away from this office, and also get the full benefit of our protective work and don't pay us a cent for it. Remember, the National Surety Company stands ready and willing to meet any rates quoted by reputable companies."

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

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FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President

L. G. BOURNIQUE, Cashier
W. L. CHENEY, Asst. Cashier
WALTER KASTEN, Asst. Cashier

DIRECTORS

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Herman W. Falk
Isaac D. Adler

Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Charles Schriber

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 150,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary

GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Charles Schriber
H. M. Thompson

R. W. Houghton
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Patrick Cudahy

Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith



BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

In summing up the year of 1911, Gardner Stickney, vice-president of the Wisconsin Trust Company, Milwaukee, says:

"The year 1911 was remarkable in financial circles. It began with slight improvement in values compared with the close of the previous year, which continued with comparatively small trading until late in February, when decisions of the Interstate Commerce Commission in the freight rate matters, which it had had under consideration since June of the preceding year, were announced. The commission refused to consent to general increases of any kind, and the decisions in their entirety came as a complete surprise.

"For nearly three months the market for securities remained quiet, not marked by large events. Then in May came the supreme court anti-trust decisions, that in the Standard Oil case, on the 15th of the month, and the American Tobacco Company on May 29th. While the decisions in both of these cases were considered adverse to the companies concerned, the court's liberal construction of the Sherman anti-trust law of 1890 caused a marked revival in investment trading and a sharp advance in prices. By the end of the month there was a very decided upward tendency, with the general tone of the market good.

"June contributed an event, strongly reassuring, in the sale by the government of \$50,000,000 of Panama Canal 3's. More than

10,000 bids were received, and the bonds were subscribed for more than three times, selling at a price making the average yield to the purchaser 2.905 per cent, a lower interest basis than that commanded by the government obligations of the three leading European nations.

"The uncertain crop situation and the Interstate Commerce Commission's decision in what was known as the Spokane matter, covering the long and short haul clause, were influences of a disturbing nature during July. Unfavorable features predominated during the following month, and the supporting influences seemed to be almost entirely withdrawn from the investment market. Public utterances of prominent men contributed largely to a continuance of this disquietude during September, and it was not until well into October that conditions seemed to show any marked improvement. This improvement has continued to the present. Undoubtedly one of the most important things contributing to this condition is the demonstrated fact that practically all bankers of the country united in their support of the amended report and recommendations of the National Monetary Commission.

"Locally, the security market has been practically without feature during the year, with about the usual volume of business. A number of Wisconsin public utility issues have been successfully handled, chiefly in the local

market, and there has also seemed to be a strong liking evidenced for preferred stocks of well established industrial corporations."

Presents New Line of Argument

James K. Ilsley, president of the Marshall & Ilsley Bank, Milwaukee, in the January number of the Wisconsin Banker, presents a new line of argument in favor of the Central Reserve Association. Mr. Ilsley says in part:

"The task which confronts those of us who honestly believe in the soundness of the provisions of the proposed bill is to make clear some of the fundamental principles of banking, and to show why a central reserve association representing the combined banks of the country will be a safe institution, and will round out our now incomplete banking system.

"With that end in view, I first want to point out what I conceive to be a quite common misconception as to banking functions. Comparatively few understand what banking really is; commonly, people think yet it chiefly consists in receiving and loaning out money, and do not grasp the fact that buying and selling credit is the much more important function of the business. Receiving and paying actual money (largely in the way of settling balances), is of course a necessary part of banking, but if this were all, the enormous exchanges of the products of the soil and of the factory, that daily take place, could not possibly be made. Credit, and



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Marshall & Ilsley Bank

Milwaukee, Wisconsin

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JOHN CAMPBELL, Vice-President	J. H. PUELICHER, Cashier
F. X. BODDEN, Assistant Cashier	H. J. PAINE, Assistant Cashier
G. A. RUESS, Mgr. South Side Branch	S. H. MARSHALL
J. H. TWEEDY, Jr.	R. N. McMYNN
GUSTAV RUESS	C. C. YAWKEY

credit only, through a banking system enables our vast industrial system to exist. Let banking credit be withdrawn, business would stop at once and starvation would stare us in the face.

"Without such an association bankers can largely protect themselves and their stockholders in times of trouble, but as in 1907, it is at the expense of the customers and the public. . . . The avowed purpose is, that the Central Association shall be a conservator and protector of banking credit. . . . I venture the hope that after a full and fair discussion, people generally will be convinced of the soundness of the principles underlying the plan which the monetary commission is expected to recommend to congress. . . ."

Banks Prosperous in This County

Notwithstanding the large amount of money invested by the people of Iowa county, Wisconsin, in western land during the last few years, there still remains a goodly sum in the banks of the county as shown by the last official statements. Taking the items of time and demand certificates and individual and savings deposits, which represent the people's money, we find that such deposits in the four larger banking institutions of the county aggregate \$1,703,101.13, distributed as follows:

Iowa County Bank, Mineral Point, \$816,835.84; Strong's Bank, Dodgeville, \$306,901.64; First National Bank, Dodgeville, \$293,330.17; Barneveld State Bank, Barneveld, \$286,033.48.

Wisconsin Banking Notes

After getting along many years as a great lumbering town, Onalaska is to have a bank with a capital of \$10,000 and a surplus of \$2,500. The directors of the new institution are A. N. Moore, T. G. Aiken, A. E. Smith, R. D. Gordon and G. A. Kaeppler. Work has been commenced on a new building, and the bank will be open for business within a short time.

The Farmers State Bank of New London opened its doors for business on January 2d. The stockholders are made up of the leading farmers and merchants of that vicinity and the new institution is reported as having started off with a splendid showing in the way of deposits.

The old State Bank at Wanamingo is to increase its capital stock from \$10,000 to \$25,000.

ALBION, MICH., BANK CLOSED

Albion, Mich., January 2.—The Albion National Bank was closed to-day and a notice posted saying it is in the hands of the comptroller of the currency. Intense excitement followed the receipt this afternoon of a telegram from Washington saying that Herbert E. Johnson, the federal examiner placed in charge, had reported by telegraph to Comptroller Murray that the bank had been defrauded of \$90,000 by forgeries and that the forgeries had been admitted. No arrests have been made up to a late hour to-day, and, so far as known, no warrants have been issued.

The Albion National in 1904 succeeded the First National Bank, which was organized in 1864. W. O. Donohue is president and H. M. Dearing cashier.

According to Dr. Donohue, the condition of the bank is due principally to loans, estimated at about \$20,000, to the Cook Manufacturing Company of this city, a small concern, employing only a few men. H. M. Dearing, cashier of the bank, is president of the Cook Manufacturing Company, which also was closed to-day.

Plead Guilty

H. M. Dearing, cashier of the failed Albion (Michigan) National Bank, and his son, P. M. Dearing, on January 3d, pleaded guilty to charges of embezzlement and forgery. They were bound over to the Detroit grand jury and bonds were placed at \$25,000 each by United States Commissioner Clark.

May Change Requirements

Washington, January 2.—An important change in the requirements imposed upon national banks may result from the failure of the

Albion National Bank in Michigan, announced to-day as due to forgeries.

To safeguard the public against such fraud Comptroller of the Currency Murray has given some consideration to the suggestion that directors of national banks should be required to certify to the genuineness of all signatures upon papers held among the assets of their respective banks at the time of the visit of the national bank examiner. He has found opposition to the proposition among certain directors of national banks, who, because of their unfamiliarity with the affairs of these banks, are unwilling to certify and render themselves liable for the accuracy and genuineness of paper held by their banks.

Some solution is thought certain to follow the failure of the Albion National Bank and it seems that none will meet with stronger approval from the comptroller of the currency than the plan outlined above.

NEW BOOK ON "COMMERCIAL PAPER"

Pocket size and bound in flexible leather comes in a new volume on "Commercial Paper," written for bank officers who buy primarily and for makers and handlers as well. The authors are Ralph May and Roger W. Babson. Mr. Babson is connected with three New England banks and serves numerous other institutions in an advisory capacity, and he has aimed at making this book of practical use to the officers and employees of banks. Mr. May, who is connected with a large Boston firm, is actively engaged in the sale of commercial paper and has knowledge of the point of view of both borrower and lender through commercial paper. The publishers believe that the entire situation in regard to commercial paper has been thoroughly covered and that the book is a conservative analysis of this most important factor in our finance. In addition to being a theoretical study of commercial paper and suitable as a text book for colleges and universities, great attention has been given to making the book practical both to the buyer and the seller of paper. In other words, the book shows the business man how to make his notes safe and attractive to banks, and also shows the banker and investor how to select paper which will be promptly paid at maturity. Published by Babson's Statistical Organization, Wellsley Hills (Boston), Mass., at \$2.00.

FOR the next four or five months responsible party will be open for position as Auditor, Cashier or in advisory capacity. Many years' practical experience in banking. Best of references furnished. Address,

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P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, January 3.—The year opened with a good demand for credits, and fair activity along general lines with St. Louis banks. Certain bankers who have been rather pessimistic relative to the prospects for lending money during January and February are expressing themselves more hopefully. The inquiry from commercial sources is exceeding their expectations, and in spots which were thought hopeless, a demand has developed. Slowness continues in the return flow of funds from the South and Southwest, notably Arkansas and northern Texas, but in spite of this fact, deposits are holding their own in good shape. Another pleasing factor in the situation is signs of activity among the railroads. Many lines centering here will doubtless be in the market as borrowers before the first quarter has elapsed, as plans for purchasing equipment are well matured. Speaking of the outlook the president of a national said: "I am disposed to believe we are starting into 1912 with a far better prospect than at the beginning of last year. Many of the factors that confronted the financial and commercial world then were worked out thoroughly, and now we are bound to reap some of the benefits. In spite of the fact that this is presidential year, there will be new enterprise, and expansion in old ones. It has gotten to a point where buying is necessary if even the routine conduct of life is to be pursued. Stocks throughout the country, and especially in the territory adjacent and tributary to St. Louis, are depleted and must be built up. The overexpansion of a few years back has been absorbed into the blood of consumption, and now the scale must begin to work back to normal. It is true the political aspect is a detrimental factor, and the present congress may prove a catastrophe, but I believe the business interests of the country can exert enough influence to prevent any radical legislation or threatened legislation. I feel thoroughly convinced that with the conventions over, and some measure of certainty established as to the next administration, there will be a wave of business activity sweep over the country, such as has not been experienced in years."

Missouri-Lincoln Reorganization

Stockholders of the Missouri-Lincoln Trust Company will be given a plan of reorganization to consider at the annual meeting next week. This company suspended business on September 23, 1907, at which time the Mercantile Trust took over its assets and backed by the clearing house banks, guaranteed the

deposits. The company has remained as such during the process of liquidation. The plan proposes a new company, to be known as the Missouri Savings and Trust Company, with a capital stock of \$750,000 and surplus of \$400,000. Those now holding the capital stock, which is \$2,500,000, may exchange it for new stock on a basis of one share of old for five shares of new. This would represent \$500,000, and the other \$250,000 it is proposed to sell at par. Each holder of new stock is entitled to subscribe to 50 per cent of the new \$250,000 cash stock. It is claimed the new stock is worth \$150 on the books, and that not \$1 of assets or value is taken out of the company or from the shareholders under the reorganization. It is the purpose to confine the new company to a savings and trust company business, while collecting and conserving the resources.

President Carter's Statement

Speaking of the reorganization plan, W. F. Carter, president of the Missouri-Lincoln Trust Company said: "At a recent meeting of the company a statement of the assets and financial condition was submitted. Some of the stockholders presented a plan to reorganize under a new name, so that it might conduct its own liquidation of a portion of its assets and continue certain branches of the business. The directors thought it prudent to submit this plan to the stockholders at large, which was done without recommendation by myself or the board, so that any action will be determined by the stockholders. As president of the company—now in liquidation—it is my duty to assist in realizing all that is possible. Further than that I shall have no connection with the proposed new company. For several years I have been connected with the Mercantile Trust Company, and will continue this connection, re-

gardless of whether the proposed plan of Missouri-Lincoln Trust is effected."

Some Capitol Bonds Sold

The state board of fund commissioners has accepted bids for the state capitol bonds in the sum of \$158,000. This is a small portion of the whole issue, but will furnish funds sufficient to purchase all the additional land required. In spite of the slowness of the sale, the board is still hopeful, and the members are racking their brains to accomplish the feat. The general run of financiers of the state, however, continue dubious. The issue is \$3,500,000 and bears 3½ per cent. That rate would not be so small, considering the security, if it were not for the fact that the bonds are taxable. In St. Louis, for instance, where the tax rate is over 2 per cent an owner of capital bonds would receive less than 1½ per cent on his investment, which is not tempting even to the ultra conservative. Further, the state is loath to pay a commission for disposing of the bonds, believing patriotism among Missouri bankers and financiers will make a commission unnecessary. Thus far, however, the patriotism has not been rampant. The committee which is assisting the board to market the bonds consists of David R. Francis, Festus J. Wade, president of the Mercantile Trust Company; Charles H. Huttig, president of the Third National, and William H. Lee of the Merchants-Laclede National, all of St. Louis; H. C. Fowler, president of the Fidelity Trust Company, Kansas City, and D. D. Burnes, president of the Burnes National of St. Joseph.

Johnson Heads International

Jackson Johnson has been elected president of the International Shoe Company, the new \$25,000,000 corporation formed by the union of the Peters & Roberts and Johnson & Rand Shoe Companies. Henry Peters was elected first vice-president. Other officers are: Vice-presidents, J. C. Roberts, F. H. Peters, Oscar Johnson, F. C. Rand, J. T. Pettus, C. D. F. Hamilton, R. N. Warmack, T. Moreno, H. Watkins, W. H. Moulton, and C. H. Peters; comptroller, R. C. Wood; secretary, F. A. Sudholt; treasurer, D. C. Biggs.

Postal Receipts Increase

Another indication of the relative prosperity of St. Louis in 1911 was an increase of \$100,000 in the postoffice receipts as compared with 1910. In 1910 the receipts were \$4,539,185, while those for 1911 will show something over \$4,640,000. During the past year the office handled 3,636,831 pounds of first-class mail, comprised of 62,814,016 pieces. Of sec-

Our correspondents are pleased with the care we take of their business at the St. Louis National Stock Yards, because it is *thoughtful*, not *mechanical*.

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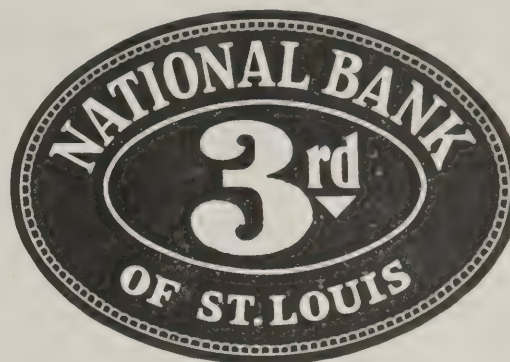
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INVESTMENT SECURITIES

ond-class mail there were 9,006,007 pounds and 67,733,224 pieces. The outgoing mail increased more than 25 per cent. "The post-office is one of the best business barometers," says Postmaster Adkins, "and any depression is quickly reflected in its receipts and volume of business. St. Louis is the fourth largest postoffice in the United States, ranking after New York, Chicago and Philadelphia.

B. L. WINCHELL REVIEWS 1911

President B. L. Winchell of the Frisco lines in writing of 1911 says:

1911 has been a year more of doubt than of danger to the railways of the Southwest. Speaking more particularly of the Frisco, business has moved more freely than most of our officials expected; whenever the outlook seemed doubtful, more traffic than we thought possible came into view, and our results, while not extravagant, were encouraging.

One of our most pleasing features is the continued rapid development of the fertile Gulf Coast country of Texas, but new-comers are locating on many of our other lines in encouraging numbers.

I am confident that our citizens are beginning to take this important fact into serious consideration, and that from this time on the needs and treatment of American railroad properties are going to be worked out on the basis of present and future requirements, instead of devoting much time to the discussion of what has happened.

The country's business development depends now only upon what takes place in 1912, and the years to follow. The year 1911 and the preceding years of strife are behind us.

PRIVATE BANKERS WAR IN PENNSYLVANIA

Philadelphia, January 2.—The private bank act of this state went into effect December 1st, but up to date, but two events have transpired. When the state went in the front door of the Mangini bank, Mangini went out the back way with \$40,000 and hasn't been seen since. The other is the raising of a large contingent fee to be paid W. M. Montgomery, a lawyer in Attorney-General Bell's office, for having the private bank act declared to be unconstitutional. Another case of dirty Pennsylvania politics. Though the new private banking act specifies arrests, imprisonment and fines as penalties for failing to observe the terms of the law, and though the small Italian bankers in this city have banded together and refused to comply with the law, no arrests have been made here and no prosecutions instituted in the month that has elapsed since the new law went into effect. Mr. Montgomery has supplied each of the Italian bankers with a signed statement to the effect that they are acting under his advice, and the bankers have been given to understand that that protects them against prosecution and that no court will imprison them for accepting the advice of their lawyer, even in the matter of opposing the state banking department.

Bank Commissioner Smith denies that he has failed to prosecute because Attorney Montgomery, acting for the private banks, is in Attorney-General Bell's office, or any knowledge of the reason they went to him in preference to other better known lawyers already engaged.

"I just want to say, in conclusion," said Smith, "that this trouble is not of our mak-

ing. These fellows have brought it on themselves. That private bank act is regarded as one of the best acts of its kind in recent years. We believe it will stand the test. Back of us are virtually all of the bankers and many private bankers of the state who believe state regulation is a good thing. We don't want trouble, but we are not in the dodging business, either."

Perhaps this Pennsylvania case will make revelations, if it goes to trial, which will help other states to see their way to put all forms of banking under supervision and inspection. Rumor has it here that very many Pennsylvania private banks are in no condition to stand inspection by the state.

DEATH OF FREDERICK M. RAMSAY

Frederick Mason Ramsay, for years teller of the First National Bank, and well known in banking and Masonic circles, died Sunday last at his home, 4872 Winthrop Avenue, after a five weeks' illness, from heart trouble.

Mr. Ramsay was born October 5, 1848, in Boston, Mass., and was educated in the public schools. After completing a high school course he entered the Winthrop National Bank as a clerk and worked his way upward until he was made assistant teller. After being five years with the Boston institution he went to New York City, where he was made assistant teller of the National City Bank.

Twenty-five years ago Mr. Ramsay came to Chicago as teller of the old Metropolitan Bank, where he remained until that institution merged with the First National Bank in 1902. Mr. Ramsay then went to the First National as teller, which position he held until his death.

Editorial Comment

KANSAS IS A GREAT STATE

Kansas has two bankers associations, yet the banks co-operate to the extent of furnishing depository and other bonds at about one-third the going rate of the established companies. They have a guaranty law and a banking department second to none in the United States. Neither is Kansas backward in other things. Having a warm friend at Wichita, we hear constantly of the state's greatness. With him we readily agree (for the time) that she takes the lead in many things. Kansas is rich; has banished the housefly; one man in every five has an auto and she teaches agriculture in her country schools. "Back to the farm" is being taught by 10,000 women teachers in more than seven thousand rural schools. Out of five hundred high schools, four hundred are teaching agriculture and two hundred domestic science. For five years this lesson of the farm has been drilled into the minds of Kansas boys and girls. Instead of wrestling with the rudiments of algebra and the tenses of dead languages, half a million students have been steeped in the beauty, the dignity and the rewards of intensive agriculture. This field had much to do with convincing states farther north to enter the work. Let this good work continue. Ten states (including Kansas) were represented at the Northwest conference called by Joseph Chapman, Jr., at Minneapolis and St. Paul last year. Bankers are in the soil preservation, soil fertility work in every state. The schools have taken up the educational features of the great problem and better men and women, better times and less of "human default" will be the result. Keep at it, Kansas.

LA FOLLETTE AND THE PLAN

Confirming Washington advices, noted in recent issues, that both republican progressives and democrats in congress likely would oppose the new monetary commission plan bill at this session, Senator LaFollette went on record in his Chicago address at Orchestra Hall. Among other things, he said:

"When a new banking control proposition comes from the man who has been chairman of the finance committee of the senate during most of that time I am here to say to you that Mr. Aldrich's banking scheme, so far as I am concerned, is going to be examined with a microscope before it gets by me.

"Now, I don't want anybody to think I am such a fool that I won't be able to see the good there is in this new proposition. Everything there is in it that is good I am for. But I want to tell you the craftiest man in public life, in shaping and framing the phraseology of a proposition so that it looks good on its surface and has lurking in its dangers, is behind this scheme."

The senator then had a fling at the down-and-outers on the commission with Aldrich and advised that any financial remedy from

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LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

such "should not be swallowed with the eyes closed." In conclusion, Senator La Follette paid a fine tribute to Wisconsin bankers and Wisconsin banking laws. He said that "Since the progressives have been in power and adopted a new banking code and new system of examining the state banks of Wisconsin, the banks over which we have control, we have not had a bank failure in the state. No state has any business to have a bank failure, and let me remind you again, one thing in the creed of the progressives is this: Service to the public; never, never service to any special interest. That is all there is in our platform." There was a fine, enthusiastic audience to hear the Wisconsin statesman and he was liberally applauded.

LABOR STRIKES IN RESTRAINT OF TRADE

Perhaps a new meaning may be given to the Sherman anti-trust law, at the end of a hearing about to begin at Danville in this state. Two hundred labor officials and strike leaders have been summoned to appear in the federal court, eastern district of Illinois, charged with operating labor unions in restraint of trade. The Illinois Central railway is the plaintiff and Judge Wright's action in the matter has been approved by Chief Justice Edward D. White, so that it appears to be strictly a business proceeding which cannot be evaded. Five big labor unions have joined forces to push the strike on all of the Harriman lines, and attorneys say they are just the same kind of a combine as is alleged against the beef packers now on trial. The sudden move of the Illinois Central is one of the most startling to the unions ever made in a labor dispute. It places an almost entirely new question before the labor organizations, that of whether they can be sued or prosecuted under the Sherman anti-trust law. The consequences of the suit will be far reaching. It will determine practically whether labor organizations can exist under the law or not. Illinois Central officials have professed ignorance of the whole matter. Attorney Lee, counsel for the railroad, said he knew nothing of the suit. In view of the fact that this suit is one of the most important the road ever has filed, it is supposed the attorneys for the company are anxious to keep the charges

from the public as long as possible. There was some talk of acting under the Sherman law when the strike started, October 1st. The date on the complaints shows that the bill was filed three days after the strike started. Now that the strike has continued three months and the company is in straits for rolling stock this suit is brought out in what the unions believe is an effort to break the strike, and to end in a large measure the strike features of unionism. Perhaps if the Sherman act helps to solve the labor problem much will be forgiven by "the Interests" against whom chiefly it has been invoked. Labor leaders do not feel very sanguine of the outcome, not knowing what evidence is in the hands of the government attorneys.

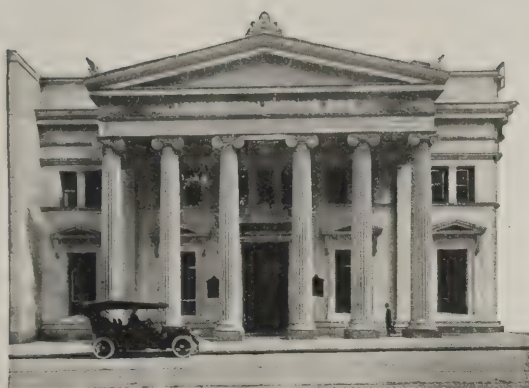
THE FIELD JOURNALISTIC

A most beautiful story is running as a serial in the Century. It is by W. J. Locke and in the lines Stella Maris is a young girl confined to her bed by spinal trouble, but living in a land of fancies. Of one of the favored few admitted to this land, John Risca, the "Great High Belovedest," she inquires one day the nature of his work.

"I teach the great and good men who are the king's ministers of state how to govern the country," he replies, "I show philanthropists how to spend their money. I read many books and tell people how beautiful and wise the books are, so that people should read them and become beautiful and wise, too. Sometimes I preach to foreign sovereigns on the way in which their countries should be ruled. I am what is called a journalist, dear."

"It must be the most wonderful work in the world," cries Stella, aglow with enthusiasm.

Risca somewhat idealized the calling, since first of all the daily must print the news (or suppress) and thus make the people better able to think for themselves. Had John Risca been in the financial field he might have claimed authorship of banking and economic doctrines; to control the policy of the A. B. A.; of the U. S. treasury; of the committee on banking and currency and to furnish argument for public speakers on the monetary plan. Truly, journalists do not do these things, nor those which John Risca claimed to do. They give publicity to plans, to emergencies and to schemes and the public polishes them off, or up, as it likes. The press is the agent of the thinker, the dreamer, the reformer, and it mercilessly exposes the crooks and the shams. It has a power all its own. Its best work is building up toward higher standards in public and professional life and in the home. A paper actuated by right motives and conducted with ability is a power in any community. Only the square deal paper is entitled to support. No other kind gets it for long.



The Northwestern National Bank

MINNEAPOLIS, MINNESOTA

Capital and Surplus \$5,000,000.00

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M. B. KOON	-	-	Vice-President	R. E. MACGREGOR	-	-	Assistant Cashier
E. W. DECKER	-	-	Vice-President	E. L. MATTSOON	-	-	Assistant Cashier
JOSEPH CHAPMAN, JR.	-	-	Vice-President	A. V. OSTROM	-	-	Assistant Cashier
J. A. LATTI	-	-	Vice-President	H. P. NEWCOMB	-	-	Assistant Cashier
FRANK E. HOLTON	-	-	Cashier	WM. KOON	-	-	Assistant Cashier

CENTRAL RESERVE BANKS LOSE

Washington, D. C., January 3.—All the national banks in the United States lost \$4,301,246 in loans between September 1 and December 5, 1911, according to the report of the condition of these institutions, made public to-day. There was a loss in cash of \$32,681,210, but a gain in deposits of \$46,047,269.

"Banks in the city of Chicago," says the report, "show losses in all three items as follows: Loans, \$17,533,135.97; cash, \$4,847,433.22; deposits, \$3,264,625.67. St. Louis banks likewise show losses in each: Loans, \$5,955,563.02; cash, \$737,904.05; deposits, 4,544,933.13. The reserve city banks in this section show losses in loans of \$674,289.29, in cash of \$1,653,008.33, but a gain in deposits of \$7,816,640.91.

"While the country banks show gains in loans of \$13,856.16 and in cash of \$1,053,504.90, they report a loss in deposits of \$1,653,049.00.

"All the banks in middle western section show the following losses: Loans, \$9,306,465.12; cash, \$5,584,840.70; deposits, \$1,645,926.89."

The total reserve was \$1,404,400,973, which is \$66,192,393 in excess of the amount required by law. The banks in the New England, southern, western, and Pacific states showed gains in loans cash, and deposits, while those in the eastern and middle western states disclosed losses. Compared with the figures for November 10, 1910, all the banks of the country gained \$208,465,440 in loans, \$46,723,536 in cash, and \$501,253,974 in deposits.

HUTTIG HAS SECOND OPERATION

Charles H. Huttig, president of Third National, St. Louis, who has been in New York several weeks recuperating from a recent operation for intestinal trouble, was operated on again ten days ago in the Presbyterian Hospital, New York. The second operation is said not to have been a serious one, but of a nature that often follows the operation which Mr. Huttig underwent at first. He is reported as recuperating satisfactorily, and when he is enough improved to travel he will go South to pass the rest of the winter.

ANNUAL DINNER OF GROUP 8

The annual dinner of Group 8 of the New York Bankers Association, which comprises banks of the borough of Manhattan, will be held at the Waldorf-Astoria on Monday evening, January 15th. The speakers for the evening will be Darwin P. Kingsley, president New York Life Insurance Company; Lieutenant Governor Robert Bruce of Massachusetts, and Colonel Norris G. Osborne of the Hartford "Journal and Courier" of Hartford, Conn.

WILL ENFORCE PRIVATE BANK ACT

Philadelphia, January 4.—The private bankers' attack upon the Pennsylvania banking law, effective since December 1, 1911, has not deterred the attorney-general of the state, who says: "It makes no difference to me who attacks the new act. I shall uphold it with all the power of the attorney-general's office in the courts if an attempt is made to dispute its constitutionality. Governor Tener, the banking commissioner and I have had several consultations about the needs for some state regulation of private banking firms, and the new law will be vigorously enforced."

The equity proceedings attacking the constitutionality of the new law are based on several clauses tacked on the law in the legislature. These amendments to the original draft of the act specify that private bankers who are citizens of Pennsylvania and have been in the banking business here for seven years are exempt from its provisions, and it is asserted by the lawyers attacking the new law that this provision conflicts with the United States constitution, which guarantees citizens of one state all privileges and immunities of citizens in all other states.

Evidence Being Collected

Harrisburg, December 28.—State Banking Commissioner William H. Smith said to-day that the state would vigorously defend the new private bank act against the equity proceedings instituted in Philadelphia to test its constitutionality. Attorney-General Bell will represent the state banking department in this action, and every effort will be made to secure an early decision.

Meantime, the department is collecting evidence against private bankers who have been doing business without a state license since December 1st, when the new law went into effect. Commissioner Smith estimates that there are 350 private banks in the state. Thus far 105 have applied for licences. The others are mostly small foreign banks.

SOIL EXPERT GOING SOUTH

THE CHICAGO BANKER is pleased to announce for the benefit of its readers in Kentucky, Tennessee, Mississippi, Louisiana, Arkansas, and Oklahoma, that Dr. R. E. Taylor, soil expert, with Deere & Co., of Moline, will visit the following points in the states named on the dates (all in January) given below. Farmers, planters and bankers will find Dr. Taylor well prepared to instruct them in matters pertaining to agricultural subjects. His addresses delivered before the members of the Illinois Bankers Association aroused great interest among the farmers and bankers of Illinois during the past summer, and he can undoubtedly render valuable ser-

vice to the people of the communities he expects to visit in his coming trip:

Fulton, Ky., January 3d. In Tennessee he will appear at Dyersburg, January 4th; Tiptonville, January 5th; Newbern, January 6th-7th; Covington, January 8th; Memphis, January 9th. In Mississippi at Clarksdale, January 10th; Greenwood, January 11th; Greenville, January 12th; Vicksburg, January 13th-14th; Natchez, January 15th-16th-17th. In Louisiana at Monroe, January 18th-19th-20th; Shreveport, January 21st-22d. In Arkansas at Ashdown, January 23d; Nashville, January 24th; Idabel, Okla., January 25th-26th; Russellville, Ark., January 27th.

FORT SMITH BANKER ARRESTED

Advices from Fort Smith state that M. D. Martin, cashier of the Central Bank and Trust Company of that city, which was recently placed in the hands of a receiver, has been arrested on charges of perjury and with receiving funds while the bank was in a failing condition. The Central Bank and Trust Company was financed by men connected with the American Trust Company of Kansas City, which closed its doors the last week of December. The perjury charge against Martin is in connection with an affidavit made by him as to the amount of the capital of the bank actually paid in. A warrant was issued on January 1st for the arrest of J. H. Hirschley of Olathe, Kansas, former assistant treasurer and secretary of the Central Bank and Trust Company.

BANKS SHOW PROSPERITY

That the past year in Milwaukee (Wis.) was reasonably prosperous seems to be borne out by the conditions of most of the local banks, which will declare dividends at their annual meetings next week.

Business from a banking standpoint has been satisfactory. Not only were two new banks established last year, but the prices of stocks in most of the established institutions have advanced.

Country banks in the state are in a more stable condition than they have been in a long time, and farmers are reported to be well satisfied. Milwaukee trust companies, too, report a good year. All of them will declare dividends.

INDIANA BANK CLOSED

Terre Haute, Ind., January 3.—An alleged shortage of \$45,000 in the accounts of W. H. Taber, president of the American State Bank, was disclosed to-day when that bank suspended business and was taken in charge by H. L. Arnold from the office of the state auditor.

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

Scientific Management as Applied to Banks

Address before the
Minneapolis Chapter by
Edgar L. Mattson of the
Northwestern
National

Scientific management is an exact science, it is not a theory, it is knowledge evident and certain in itself; it is not an idea newly created, it is understanding of laws that have existed always. It is the organized and systematic application of business to these laws. Newton did not create the law of gravity. He discovered it. Franklin discovered electricity. Columbus did not make the world round. Scientific management is finding the best way to do work, and always doing it that way. The best way is reducible to dollars and cents. It is not scientific unless it is best for all concerned, the employer and the employees. A speaker recently addressing a Minneapolis audience said that the eighteenth century was the century of dependence; the nineteenth the century of independence; the twentieth the century of interdependence. Any employer or employee who does not recognize the necessity for and the benefits of co-operation belongs to a century that is past; without the employee capital is helpless, without the employer labor is futile. The employer and employee are inter-dependent, they are not only important one to the other, they are absolutely essential. Scientific management is not a cost system, it is not time study; it is not fixing a price on piece work; it is not haphazard guess work. Frederick W. Taylor sums up the elements of scientific management as follows:

1. The development of a science for each man's work, which replaced the old "rule of thumb" method.
2. The scientific selection and training of the workers, so that each is given instruction in the work for which he is naturally best fitted.
3. Hearty co-operation with the workers so as to insure that all of the work is done in accordance with the principles of the science which has been developed.
4. A division of the work and the responsibility between the management and the workers.

The Northwestern National is engaged in commercial banking, it also has a savings department. It has a force of nearly 200 officers and employees; its capital, surplus and profits amount to \$5,418,000.00; its resources are about \$34,000,000.00; it has been in existence some forty years; it has absorbed three other banks, the largest of which was the National Bank of Commerce, followed in less than six months by the Swedish-American National. The application of the principles of scientific management to the business of banking has not been tried elsewhere as far as may be learned; this lack of precedent made its introduction in our office a matter of some difficulty. There were, however, several circumstances which were favorable. After the consolidations already mentioned, which occurred in 1908, this bank was in possession of practically all of the "rule of thumb"

methods in use in Minneapolis, those having been brought in by clerks from other banks being in some instances superior to those formerly in use in the Northwestern. The office force was divided into twelve departments, the oldest and most experienced clerk in each department was appointed manager and made responsible for the proper conduct of each day's work. A system of time and cost study was introduced based upon a daily work report from each clerk. Nearly two years' reports are now tabulated in a form which makes yearly comparisons and deductions possible and furnishes a means of determining the principle elements of cost of all our office operations. The next movement toward a higher state of efficiency was a class that was undertaken to educate the junior clerks. This was a voluntary matter. One meeting is held each week and lectures are given by one of the older members of the force on elementary commercial law and the practice of banking. The best feature of these meetings is the answering of the many questions propounded by the class. Later on a penmanship class was started with very satisfactory results.

One of the officers devotes most of his time to the internal administration of the bank. Once a month this officer meets with the department managers. This takes the form of dinners followed by evening discussions of matters pertaining to the bank. This officer also calls in all men of one department, and then of another, and talks with them about their work. These meetings are not at stated times, but when occasion requires them. In the March, 1911, meeting of department managers the Taylor System of Scientific Management was first discussed. Mr. Taylor's writings were read aloud, and it was determined to apply his methods to the work of the office. The department managers with their chief now constitute a permanent planning department and co-operate with one another in solving the problems of the various branches of the work, thus giving to each department the benefit of the thought of all. A chart was made up at this time of all clerical positions in the bank based on their relative importance as a basis on which to move clerks from one job to another. This assured fair promotion to those who deserved it. The greatest benefit of this process has shown itself in the attitude of the clerks to the bank. A spirit of confidence in the managers prevails, and splendid support is given to every new de-

mand made upon the force. Every effort has been made by transferring men back and forth to find the worker best suited to each job and to train everyone along the lines in which his record shows he is deficient.

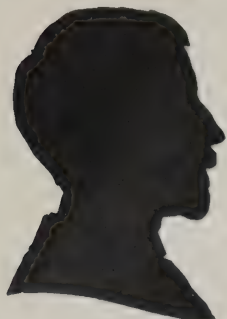
Mr. Taylor has often been asked by sympathetic people what became of the shovelers who could not make good, and he has satisfactorily answered that they were tried first on one thing and then on another until they were placed according to their capacity; generally in work that required less physical strength and more mental ability, which generally resulted in great benefit to the men.

In our office much has been accomplished by moving men from one job to another; office men, particularly with increasing age, are prone to get into a rut; the management fails to do its part when it does not do its utmost to see that its men are well and properly placed.

In banking where education, initiative, tact and brains are essential, and where repetition of operation, as for instance in the handling of machinery, is unimportant, there is no place for certain types of men who never rise above mediocrity. We feel that a man is going backward who does not progress in capacity, which in turn means increased pay. There is no such thing as standing still. It is no kindness to such a man or to the men working with him that he be retained. This brings up the question of hiring men. The management is under certain obligations to its employees. This increases with time, and should be fairly and humanely considered. I therefore feel that I cannot too strongly emphasize the importance of using the principles of scientific management in the selection of office men.

The next step was the organization of a general staff, consisting of men not attached to a particular department, and directly under the supervision of the chief. These men are not messengers or bell-hops, but men who have made good in various responsible positions, and from whom, as vacancies occur will be recruited department heads. These men are competent to fill positions of all grades, during temporary absences on account of vacations or sickness; when not so engaged they devote their time to experimental work, under the direction of the planning department, and also act as instructors to junior men. This department is being organized slowly and with extreme care; so far its work has been largely elementary, but it will develop into the largest and most important department in this bank.

Mr. Taylor calls attention to the fact that management voluntarily undertakes large burdens for the ultimate benefit of all concerned; he also sounds a warning against fakirs, conscious or otherwise, who claim to be able in a short time to scientifically reorganize a business. The more I study the matter, the more



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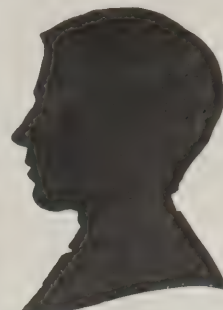
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Eric J. Everett, C. P. A., Vice-Pres.



convinced do I become that we have undertaken a large proposition, the fruition of which is dependent upon conscientious effort and much time. At first the possibilities of experimentation for the best possible way of doing things in our office seemed very limited, but careful consideration of the subject has removed all doubt from our minds. The problem is how can we ever hope to be able to do anywhere near all now contemplated.

We are progressing step by step, each change being subjected to complete and thorough investigation from every standpoint, the purpose being to correct something that was apparently wrong. A very minute cost per item system more complete than any in the country, as far as can be learned, is now perfected. A book of experiments is maintained and a book of standards is in preparation, which when completed will give in writing every minute detail of every job in the office with every possible instruction for new men.

I will outline briefly some of the specific improvements accomplished during the last year. Certain department routine was handicapped, and it in turn handicapped the work of the other departments, owing to the fact that work had to be done on the third floor which should properly have been done on the main floor. Items were taken upstairs from the main floor, proved and recorded, and then returned to the main floor for final handling. The proper adjustment of this difficulty was a matter for much serious study, the solution coming from the suggestion that the useless top of the vault be made into an office room. This was done as soon as carpenters and painters could place the quarters in order, after which our audit department was moved up there, which gives a view of the whole banking room, and secures a privacy and concentration which is of particular value, and which it did not have before. The space gained made possible re-adjustments involving six departments, each change being carefully planned, and the result in each instance was a material improvement. Our elevator which then was taxed to its capacity now is idle part of the time and never is full. Consider, if you please, the value of the time formerly lost in travel, which in turn delayed work. This was not guess work; every move was carefully considered. Not one mistake was made; while the resulting benefits are clearly apparent we are unable to measure these results in dollars and cents. Stationery and supplies were scattered over the bank in cupboards, drawers, and under desks; much of it got dirty and quantities were destroyed. Frequently printing was ordered in the belief that the supply was exhausted, when such was not the case. A stock room was established with a custodian in charge; card records show prices, and of whom bought, quantity on hand, when received, when used and by what department, when to order, how much and where. Order has succeeded disorder. It pays. Every detail was worked out by our planning department before the

changes were made. Contracts, subscriptions and advertising were reduced to a system; card information enables the man in charge instantly to secure any necessary information. Auditing and the paying of bills was placed upon a modern and scientific basis, avoiding duplication of payments. The number of receiving tellers has been reduced, and at the same time service to customers has been improved. The filing room has been improved, and economies have resulted. The mail department methods have been improved, fewer clerks are needed, while Sunday and holiday work has been eliminated. Ledgers have been improved, resulting in material reduction in the number of men needed. The writing of advices formerly done by two girls is now done by one. This one has enjoyed a raise in salary and the end is not yet. The general staff is made up from men relieved of work through these economies, and we could still easily get along without a number of clerks for which we now have no real need. The number of clerks who formerly were discharged, or who resigned on account of dissatisfaction, has been cut in two, the result being that we do not hire as many new men, which in turn has reduced to a minimum the necessity for the training of raw recruits.

Investigation is now on foot to determine a better way to prove the inclearings; statement machines and transit machines will be given a conclusive test during the coming year and charts are being prepared presenting all statistics in an available and permanent form. These improvements and economies are not guess work, they have been carefully and scientifically planned; while in some instances we will find opportunities for further im-

provements, we never will take a step backward, because we have been working in the right direction. As I have stated, so many new things claim attention that each succeeding year must bring greater and greater results. Let us give due credit to the leader of a great movement that will revolutionize business administration the world over, the man who has given to business the knowledge of a hitherto unknown science of business, a science like all other sciences, that has existed always, but was unknown until discovered by a master-mind.

RICHMOND (VA.) CHAPTER NEWS

By J. S. Haw, Secretary.

Richmond Chapter was fortunate indeed in being able to secure the services of O. Howard Wolfe of New York, secretary of the clearing house section of the American Bankers Association, to address the December meeting of the chapter on two very live subjects which are occupying the attention of bank men the country over. Mr. Wolfe spoke on the "Universal Numerical Transit System," and the "Clearing House for Country Items." These subjects are of vital interest to every bank, in that the consummation of the plans outlined by the American Bankers Association means that transit items will be much more expeditiously handled and that there will be a great reduction in the cost of handling them. Mr. Wolfe gave a clear exposition of both of his subjects and his audience, which included many of the bank officers of the city, listened with intense interest.

The chapter went on record as heartily approving both the "Numerical Transit System" and the "Clearing House for Country Items" idea, promising to do all in its power to further them and expressing a willingness to cooperate with the clearing house association in anything it might do to further them.

SAVINGS BOOKS AS GIFTS

According to W. F. McLane, cashier of the Hennepin County Savings Bank, savings deposits since December 1st have broken all records in Minneapolis. Mr. McLane attributes the increase partly to the growing popularity of the savings bank book as a Christmas present. It is now quite common, he says, for parents, husbands and guardians to present their protégés with a pass book showing a deposit in some one of the savings banks of the city.

According to Mr. McLane not only has the amount of savings deposits increased since December 1st, but there also has been an unusual number of new depositors. This he considers unusual, for as a rule, he says, people are more inclined to withdraw than to deposit money from banks during the Christmas season.

Ipswich, S. D.—Walter Morris has submitted his resignation as cashier of the First State Bank, to take effect January 9th.

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

"The business men and bankers of Kansas and the Central West are optimistic over the prospects for 1912," said J. N. Dolley, bank commissioner of Kansas, on the last day of the old year, "but they are not quite sure what the situation is elsewhere and realize that the West cannot be a world fully unto itself. In the last summer and early fall the farmers sold their grain and the country merchants bought lightly. They paid their debts and balances in the country banks accumulated. While money is still in strong demand, the market might be considered quite easy with sufficient supply to meet all legitimate demands. The man who borrows from the bank to-day must show the banker before he receives it that he expects to use it in a legitimate way or in an investment that probably will prove a profitable one. We look with more or less doubt upon what may come out of the East in a financial and commercial way during the year 1912, and what effect the conditions may have upon our market and business. The year 1912 being a political year must, of course, be considered from a business standpoint, although in the West we do not apprehend any serious results from political sources."

Mr. Dolley expressed the opinion that, all things considered, banking conditions in the Middle West during 1911 have been quite satisfactory. "A general house-cleaning continued throughout the year," he said, "and the result is a decided settling down to conservative and careful banking, maintaining larger reserves, scanning closer all loans and refusing to venture into questionable investments and continuing to furnish careful business men with what funds they need to carry on their business. The present wheat crop has received sufficient moisture, rain and snow, to place in winter quarters in a most prime condition. In fact, the Middle West has never afforded more promising possibilities for a crop than at present."

Review of Year 1911 in Central West

With occasional local exceptions the record of bank clearings in the Central West for the year 1911 indicated a falling off from the previous year's business. In Kansas City the clearings for the past year amounted to \$2,578,730,359. While this represents a creditable volume of business for the twelve months it is considerably less than the record for 1910. The record for 1910 was \$2,634,557,738, showing a decrease of \$55,829,378. It is gratifying to Kansas City bankers to remember that even under adverse conditions Kansas City still held sixth place among the cities of the United States and the old rivalry between Kansas City and Pittsburgh leaves the western city victorious at the end of another year. Omaha also suffered a falling off in clearing house business during the past year. For 1911 it had a total of \$753,107,353 as compared with \$832,971,607 in 1910. St. Joseph, Mo., enjoyed a substantial gain in its

clearings, the year 1911 being the best in this respect in the history of the city. The aggregate of clearings in St. Joseph for 1911 was \$354,711,820, an increase of \$6,952,731, or 2 per cent over 1910. April was the only month of 1911 which showed a decrease in the clearings of St. Joseph over any previous record for the same month. In 1911 St. Joseph broke records for both a day's and a month's business. Oklahoma City suffered a loss, the total clearings for 1911 being \$104,852,021 in comparison with \$122,822,587 in 1910.

The causes assigned by bankers to the falling off in clearing house business in the Central West for the year 1911 center about the partial crop failure of the past year due to drouth. Kansas City did not handle as much grain by several millions of bushels in 1911 as it did in 1910. The same is true of Omaha. Another thing that has had a tendency to restrict the volume of clearings in this part of the country is the lower prices of most agricultural products and live stock. This was a material factor in the record. It is pointed out by the manager of the Kansas City clearing house that a year ago there was established in that city a gold depository amounting to \$1,200,000 to be used in settling balances between local banks. Certificates are issued against this gold, which circulate between banks in lieu of gold. The settlements made in this way are not included in the amounts reported as bank clearings. Hence the gold depository has operated to reduce the amounts reported as bank clearings. The manager of the Kansas City clearing house believes that had it not been for this gold depository system the clearings for the year would have been at least \$60,000,000 greater, thus wiping out the decrease of fifty odd millions showing in the record.

Banker Must Know His Business

The state banking board of Kansas exercises autocratic authority over the financial institutions within its jurisdiction unparalleled perhaps in any other state of the Union. Under a recent law this board is empowered to pass upon every application for a state bank charter with a view to the number and character of the banks already located in the desired location. The board also may take into consideration the character and reputation of the applicants and whether or not they are competent bankers. But this is not the limit of the board's power. It can also demand that a banker quit the business if he is not able to convince the board that he knows his business. This last prerogative was exercised only last week. C. M. Hanner of Oklahoma decided that he wanted to get into the banking business in Kansas. He negotiated with the owner of the Merchants State Bank of Derby, Kan., and bought that institution. He was running the bank according to his own notions when a state examiner appeared and began an investigation. The

result was that the bank commissioner of Kansas required him to sell to J. J. Butterfield of Kansas City. Mr. Hanner yielded gracefully to the edict and stepped out of the bank.

"Blue Sky" Law Has Increasing Popularity

Kansas banking authorities are growing more and more enthusiastic over the operation of the famous "blue sky" law passed by the legislature a year ago. This law, which has now been in effect nine months, was designed to protect Kansas investors from the sellers of questionable securities of all kinds. During the nine months of the law's operation nearly one thousand individuals and concerns have applied to the state bank commissioner for authority to vend their securities in Kansas, but only forty-nine have been approved. Without this approval they cannot do business in Kansas. The law is absolutely unique and has attracted world-wide attention. Copies of the law have been sent to most of the European governments. No law enacted by a Kansas legislature has been given wider publicity than this one.

Lankford Honored Guest at New Year's Dinner

State Bank Commissioner J. D. Lankford was the guest of honor at a dinner New Year's night in Oklahoma City and which was given by the state bank examiners and other employees of the banking department. In his address Mr. Lankford declared that he had barred politics in the management and control of Oklahoma state banks and that he has set a high moral and financial standard for Oklahoma bankers. "I have been told recently that I have set the standard too high," he said, "and that few could measure up to my requirements. In my candid opinion it would be a matter of impossibility to set too high a standard in banking. The mere fact that a man is a banker should be sufficient evidence and guaranty in itself of the very highest sense of honor and integrity, but unfortunately it has not always been so in Oklahoma. Some have debased and prostituted this high calling and there may be yet some of this class in banks of Oklahoma, but very few. A banker should not be a speculator. He should be a banker and nothing else. In my judgment the final solution of this whole question is the vigorous prosecution, punishment and conviction of all crooks and defaulters and under no circumstances will the banking department of Oklahoma accept any compromise while I am at its head."

Other speakers at the dinner were Governor Lee Cruce, former Bank Commissioner A. M. Young, Fred Dennis, treasurer of the banking board, and W. M. Malone, state building and loan auditor.

American Union Trust Company

After a hopeless struggle to surmount the difficulties that followed the absorption of the All Night and Day Bank last August, the



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Through observation - compartment and fourteen-section drawing-room sleeping cars, free reclining chair car (steel construction) and coach (also tourist sleeping car on 1st and 3d Tuesday of the month) between Chicago and Jacksonville. All meals in dining cars.

Connects at Columbus with through sleeping cars to and from Savannah; also at Jacksonville for all points in Florida and with trains making steamship connections for Havana, Cuba, via Knights Key or Port Tampa.

Information about winter tourist fares, homeseekers' fares on 1st and 3d Tuesday of the month, reservations and tickets at

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American Union Trust Company of Kansas City has given up the ghost and is now in the hands of the Missouri banking department. Notice was given that the bank and trust company would not open for business December 30th and Charles W. Bartlett, deputy state bank examiner, was in temporary charge. For a week Mr. Bartlett and W. B. Planck, another examiner, had been examining the condition of the trust company, then the directors decided that the best interests of all concerned recommended the action that finally was taken. The American Union Trust Company was capitalized for \$162,950, with deposits of \$203,000. Its total assets are \$395,000 and it had over 3,000 depositors. The officers of the company were: L. H. Musser, president; H. L. Coombs, vice-president; M. E. Dixon, secretary, and W. J. Madden, treasurer. The directors were: L. H. Musser, H. L. Coombs, James Muir, J. E. Lach, Fred Weber, J. I. Adcock, Dr. E. Lee Harrison, J. D. Havens, George L. Davis, T. L. Roberts and W. R. Madison. John W. Swanger, Missouri state bank examiner, spent several days investigating the affairs of the institution and will issue a statement soon. The depositors of the company are mostly small tradesmen. Following the failure of the American Union Trust Company of Kansas City came the announcement of the closing of the doors of the Central Bank and Trust Company of Fort Smith, Ark., which was financed by men connected with the defunct Kansas City concern. In connection with the Fort Smith failure, M. D. Martin, cashier of the Central Bank and Trust Company, was arrested charged with perjury and with receiving money while the bank was in a failing condition. He was released on bond. The two recent failures mark the climax to the disasters that have overcome the allied financial interests that were back of several All Night and Day Banks in the Southwest, and which include the All Night and Day Banks of Memphis and Oklahoma City.

Central West Banking Notes

The Retail Merchants Association of Hutchinson, Kan., has petitioned the local banks to devise some way in which at least one bank of that city may be kept open each Saturday night. The merchants want facilities for workingmen to get their checks cashed so as to relieve the tradespeople of this risky business.

Central West Banking Notes

Owing to a recent decision of the Texas courts all the banks of that state have discontinued overdrafts of every kind and notices to that effect have been sent to most of

the bank customers likely to be affected by the change.

Frank J. Wikoff, president of the Traders State Bank of Oklahoma City, Okla., has been elected president of the Oklahoma City Chamber of Commerce for the ensuing year.

J. N. Penrod has been elected a director of the Manufacturers and Mechanics Bank of Kansas City.

By declaration of a stock dividend the capital stock of the United States National Bank of Omaha has been increased from \$600,000 to \$700,000. The surplus has been increased from \$600,000 to \$700,000. The combined capital and surplus is now \$1,400,000.

Leonard W. Scheibel, assistant cashier of the Nebraska National Bank of Omaha, has gone to Wilcox, Canada, on account of the serious illness of his brother, Adam Scheibel.

A. M. Van Laningham of Ashland, Kan., spent the Christmas holidays with friends in Wichita, Kan.

John Lockmiller, a farm hand, has been charged with the murder of his employer, John W. Scanlan, president of the Bank of (Continued on page 28)

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A continuous business experience of thirty-three years has given us a thorough knowledge of the banking needs of the Northwest, thereby enabling us to give your business intelligent and satisfactory attention.



A Strictly Commercial Bank

IRVING NATIONAL EXCHANGE BANK

A Decade of Growth—Comparative

United States	1900	1910	Per Cent Increase
Population	75,994,000	91,972,000	21%
Wealth	\$88,517,000,000	\$125,000,000,000	41%
Money Circulation	2,055,000,000	3,180,000,000	54%
Savings Bank Deposits ..	2,389,000,000	4,070,486,000	70%
National Bank Deposits ..	2,458,000,000	3,287,216,000	115%
Bank Clearings, U. S.	84,582,000,000	158,559,487,000	87%
Bank Clearings, N. Y.	51,964,000,000	99,257,662,000	91%

Irving National Exchange Bank

	1900	1910	Per Cent Increase
Capital	\$ 300,000	2,000,000	566%
Surplus and Profits	100,900	1,797,900	1681%
Deposits	3,446,500	28,360,200	722%
Assets	4,108,800	33,347,200	711%

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NEW YORK

Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Bank clearings in Minneapolis reached \$1,068,090,894 in 1911. This is a decrease under 1910, when the clearings were \$1,155,659,665 and a gain of \$11,000,000 over 1908, when the clearings were \$1,057,468,860. The clearings in 1909 were \$1,029,914,856 and in 1907 they were still larger, or \$1,145,462,150. December in 1911 went ahead of December, 1910, by nearly \$11,000,000. The figures for last month were \$111,083,004.

Four important banking changes of the closing year were absorption of the Minnesota National by the Scandinavian-American National; absorption of the Germania by the Metropolitan National, and the Savings Bank of Minneapolis went under the state organization law. The Hennepin County Savings Bank increased its capital and surplus to \$500,000.

St. Paul Bankers on New Year Prospects

New Year prospects are outlined by St. Paul bankers as follows: E. H. Bailey, president First National: "I think the general outlook is very encouraging. I believe that the farmers' prospects for 1912 are the brightest for some time, the soil is in good condition, and if the crops turn out as they promise the farmers' prosperity will bring prosperity to all of us and the year will be a good one."

J. W. Lusk, president National German American: "I think that present indications point to a continuation of an easy money market."

George C. Power, president Second National: "I do not see anything in the present conditions that will make any material difference in next year's money market. Rates are easier now than at the same time last year."

V. W. Knapp

V. W. Knapp, cashier of the First State of Long Lake, suburb of Minneapolis, has bought an interest in the Regal Sales Com-

pany, Inc., selling Regal automobiles. He will not take an active part in the management of the business at present.

Dinner in Honor of Two Minneapolis Bankers

Directors of the Northwestern National dined President W. H. Dunwoody and Vice-President M. B. Koon, January 4th, at the Minneapolis Club. It was the first intimation that the two had passed their seventieth year, and, at that, the concrete evidence in the testimonial offered by the directors was discounted until both men admitted the impeachment.

Report of Minnesota State Banks

Summarization of the report of state banks in Minnesota on call for December 5th shows resources of \$136,626,559 and deposits subject to check of \$34,624,070. The time deposits are \$71,394,065, which is a gain of \$7,692,374 in one year. Loans and discounts reached \$103,107,871, an increase of \$8,206,844. There were 737 banks at the last call as compared with 686 the year previous. Capital stock has jumped from \$13,228,500 to \$14,084,000. Surplus a year ago was \$3,076,169 as compared with \$3,596,902 at the last call.

J. W. Wheeler Receives New Honors

J. W. Wheeler, formerly of Crookston, Minn., new vice-president of the Security Trust Company, which is affiliated with the Capital National, is to be made president, succeeding F. Y. Locke, resigned. Mr. Locke will give his attention to the gas company, of which he is president. This company is erecting a plant to make liquid gas for delivery in tanks.

St. Paul Bank Clearings

St. Paul bank clearings passed the half-billion mark in 1911. The total was \$531,574,517. In 1910 the clearings were \$576,156,228. Clearings for December were \$45,402,159 as compared with \$52,288,330 the previous year. Although the bank clearings

for the twelve months ending December 1, 1911, were off \$40,407,211 as compared with 1910, aside from that year they were larger than for any one of ten preceding years. In the year one bank, with \$25,000 capital, was added, making the capital \$4,650,000 for the city.

Deposits in the various banks aggregate \$48,034,239.61 and the following summary for the period 1901-1911 shows growth of business.

	No. of Banks.	Surplus and Profits.	Deposits.
1911	17	\$4,713,894	\$48,034,239
1910	16	4,284,833	48,291,411
1909	14	3,668,255	49,449,950
1908	12	3,458,555	47,705,203
1907	11	3,197,094	41,961,761
1906	9	2,606,008	40,545,690
1905	9	2,255,378	36,392,191
1904	9	1,974,190	32,093,319
1903	9	1,883,734	28,389,389
1902	10	1,714,677	28,983,063
1901	9	1,509,298	27,197,011
		Loans.	Exchanges.
1911		\$35,490,300	\$538,460,688
1910		35,339,117	578,867,899
1909		34,227,106	518,244,363
1908		29,455,713	483,076,978
1907		28,594,796	484,891,667
1906		27,371,904	419,466,276
1905		25,486,870	342,751,234
1904		21,231,284	315,805,393
1903		18,682,705	309,230,107
1902		19,137,185	294,197,119
1901		15,741,457	260,413,773

Interview with Miss Chapman

With the unconscious advertising temperament of her illustrious banking sire, the youngest miss in the Chapman family has broken into print, her interview illustrated by the newspaper cartoonist.

Joseph Chapman, it is said, was shaving. In toddled her majesty, clad as if just from

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her bed. She watched the vice-president of the Northwestern shave awhile, sitting curled up on a chair.

"Put your feet down on the floor," said father.

"Don't want to," was the answer of the unawed one. "Dey is told."

"It isn't cold here," said father. "What do you think your feet are for, anyway?"

"Wawsh," was the answer that shut father up.

Banking News Notes of Interest

The Washington Realty Company has been organized with \$100,000 capital. F. A. Chamberlain is president, and L. K. Hull, a director in the Security National, is one of the organizers.

The name of the building occupied by the Minnesota Loan and Trust Company, adjoining the Northwestern National, formerly known as the Bank of Commerce building, has been included under the Northwestern National name.

C. L. Strom, cashier of the Merchants and Manufacturers State, has been elected treasurer of the Twentieth Avenue North Publicity Club.

Joseph Underleak, formerly state representative and state senator, director of the First National of Plainview, Minn., and also of the First National of Chatfield, president of the Chatfield Electric Light and Power Company, owner of the Chatfield Lumber Company, is now president of the First National of Chatfield, to succeed A. L. Ober. Mr. Ober was reported last week as lost and found in Chicago.

According to the state tax commission every resident of St. Paul has \$23.39 apiece more than Minneapolitans. Returns on moneys and credits show that Minneapolis people own up to \$89.38 in 1911 as compared with \$19.80 each in 1910. St. Paul's residents have \$112.17 as compared with \$12.82. The report fails to say who spends more. Fari-

bault residents, a small city, rank high with \$200.32 apiece, if it were all divided up. Average money and credits disclosed by each resident of cities in the state of more than 5,000 population is \$97.23. The accretion of wealth has been sudden, if the returns have been correct, for in 1911 the average was nine times more than in 1910.

A. J. Hemphill

A. J. Hemphill, president of the Guaranty Trust Company of New York, has been elected a director and member of the executive committee of the St. Louis Southwestern, succeeding Howard Gould.

SAFEGUARDS IN MONETARY PLAN

Washington, D. C., January 4.—The monetary commission's plan for a national reserve association, when it goes to congress on Tuesday, will provide for an organization so constituted that the financial institutions of New York—the seat of the money power in the United States—will control less than 10 per cent of the total representation in the central association, although they possess fully 30 per cent of the banking capital.

This has been done to guard against so-called Wall Street control of the proposed institution, which would largely supplant the United States treasury, and perform the functions of a national fiscal agent.

LINDBERGH ATTACKS CHICAGO BANKS

Washington, January 3.—A revised "money trust" resolution introduced in the house today by Representative Charles A. Lindbergh of Minnesota specifically mentions Chicago banks as a part of the power that "controls credits and the money supply."

The resolution directs the committee to ascertain whether the stockholders in the larger banks in New York, Chicago and other large

cities, or the banks themselves, or their controlling directors directly or indirectly, have been using the funds on deposit with them for the purpose of buying and selling stocks and other securities for the purpose of manipulation on the stock market.

Representative Lindbergh asks that the Harvester Company and the foreign shipping combine, as well as the "money trust," be made the subject of investigation.

Antelope, Mont.—The Citizens State Bank has been incorporated with a capital of \$20,000. Incorporators are Robert S. Richardson of Antelope, M. J. Wilson of Minneapolis, Minn., and others.

Proposals for Purchase of Davidson County State Fair Bonds

Sealed proposals will be received at the office of this Company up to 12 o'clock, noon, standard time, Wednesday, January 10, 1912, and then publicly opened, for the purchase of the whole or any part of \$150,000.00 Davidson County, Tennessee, State Fair 4 per Cent Bonds, due January 1, 1941, optional after January 1, 1926. Denomination \$500.00. Interest payable semiannually on the first days of January and July. Principal and interest payable at Nashville, Tenn. These bonds will be sold with accrued interest from January 1, 1912. A certified check for 1 per cent of the purchase price must accompany each proposal.

This is the whole of an issue of Bonds by Davidson County for the purchase of the State Fair Grounds, under an Act of the General Assembly, Chapter 42, Acts of 1909. The validity of this issue of bonds has been approved by the Supreme Court of Tennessee.

All necessary papers in regard to this issue of bonds are on file in the office of this Company.

The right is reserved to reject any and all proposals.

THE UNION TRUST COMPANY

By V. I. WITHERSPOON

Vice-President

E. W. ANDREWS, President
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Pacific Northwest Banking News

Spokane, January 2.—F. M. March, president of the National Bank of Commerce of Spokane, Wash., on returning from a visit to Cranbrook, B. C., where he spent the holidays, said in an interview:

"Business conditions in Canada, as well as in the states, seem to be indicative of a good year ahead. There is a noticeable development in all lines, which ought to presage a lot of good for the coming year. Wherever I visited the banks are in good condition, and the business men are making money. Throughout British Columbia there is a very favorable sentiment toward Spokane as the hub around which a lot of business is revolving, business both for the Northwest and for parts of British Columbia. The people up there more and more are rating Spokane as an important center."

Lincoln County Banking Conditions

Lincoln county, Wash., with a population of 17,539, as reported by the late census, had per capita deposits of \$143.75 in the banks on December 5th, the date on which the call for state and national banks was issued, the aggregate deposits in the 13 banking institutions of the county footing \$2,521,301. Back of the deposits are guaranteed resources of \$3,395,535, an increase over the resources sworn to by the bank authorities for the preceding statement, that of September 1st, of \$312,890, or a little better than 10 per cent in the three months. At the same time, deposits which were three months ago given as \$2,262,403 increased \$258,898, or nearly 12 per cent. Every town in the county by the last statement shows increased deposits, as well as banking resources.

The two banks in Davenport had on deposit on the date of the call \$748,686, as compared with \$683,181 three months previous. The statement of a year ago showed Davenport deposits to be \$78,064 less than at present. The resources of the Davenport banks increased in that period from \$915,080 to \$958,087. Deposits at Wilbur totaled \$441,242, as compared with \$432,246 the statement before, while resources on the last call were \$520,388, an increase of \$27,722.

Sprague, with \$301,926, was third in point of deposits, showing an increase of \$27,165, while the resources, \$349,089, remained about the same as on the preceding call. Reardan's two banks certified to aggregate deposits of \$282,401, backed by resources of \$408,847, an increase in deposits of \$15,944 and of resources of \$22,048. Odessa had in bank on December 5th, \$225,973, compared with \$159,137, the greatest increase in deposits alone of any city in the entire county. The resources were certified to be \$285,388, compared with \$209,332.

The two banking institutions at Harrington, with resources of \$367,807, an increase in the three months of \$42,487, held on deposit an aggregate fund of \$191,612, as compared with \$191,699 the quarter before. At Almira resources of the bank

totaled \$256,306, an increase from \$209,002, while the deposits in trust were at the last call \$178,275, an increase in the three months of \$43,923. Creston's bank reported resources of \$132,785, compared with \$97,207 at the previous call, and deposits of \$86,639, an increase for the period of \$17,845.

Deposits at Edwall were \$56,807, an increase from the September statement, when the bank officials certified to \$51,746. Resources in September of \$78,047 were increased by the December statement to \$87,997. The bank at Govan, one of the strongest in the county, though the smallest in point of business, had deposits of \$17,738 and resources of \$28,838 to guarantee its depositors.

William Kroll

William Kroll, formerly of Kenton, Mich., who became a director in the Fidelity National Bank of Spokane last spring, has moved to Spokane and taken up his residence on Cannon Hill. Mr. Kroll is an extensive timber and lumber operator. Mr. Kroll will give considerable of his attention to enterprises in the West, directing them from Spokane.

Oakesdale Makes Fine Showing

The remarkable showing made by the Commercial State Bank, of Oakesdale, Wash., at the last call for statement, December 5th, reflects credit upon the town, considering its population of 1,000, and especially upon the surrounding country. With deposits totaling \$327,916.25 this bank now occupies fourth place among the 34 banks in Whitman county. The Colfax National Bank, the Farmers State Bank of Colfax and the Security State Bank of Palouse are the only three ahead of it. The institution was incorporated in 1891, and, after going through the panic of 1892 and 1893 with flying colors, has successfully kept its name as one of the strongest financial institutions in the country. Among the stockholders are A. Coolidge and A. F. McClaine. Mr. McClaine is president of the Traders National Bank, Spokane, and has large interests in Oregon. Mr. Coolidge is president of the Colfax National Bank. E. H. Hanford, president, owns a large part of the stock and has between 4,000 and 5,000 acres of rich Palouse land.

Overdrafts Tabooed

Patrons of Spokane's banks no longer will be permitted to overdraw their accounts. Copies of a resolution passed at the last meeting of the Spokane Clearing House Association, which condemns the practice of permitting overdrafts, have been posted in the lobbies of all banks which are members of the association. The resolution quotes a supreme court decision which characterizes the allowance of overdrafts as a misappropriation of bank funds for the benefit of a privileged few.

Banking Notes

The bank deposits as shown by the statements of December 5th are the largest ever shown at Cottonwood, Idaho. The combined deposits of the two banks was over \$313,000, the First National Bank having deposits of \$194,019.85, with \$86,288.62 cash and exchange, and the German State Bank deposits of \$118,992.47, with \$75,088.83 cash and exchange.

Statements just issued by the banks in Wenatchee, Wash., show \$1,264,919.54 in deposits in three institutions, while the cash reserve totals \$490,712.82, being nearly 40 per cent of the deposits.

R. C. McCredie, cashier of the First National Bank of Sunnyside, Wash., has purchased the First National Bank stock owned by W. D. Perkins of Seattle.

DOROTHY DAY BY W. D. FOULKE

The Cosmopolitan Press of New York has published a story of the outgoing generation. Mr. Foulke begins his story of Dorothy Day by giving a glimpse of the life of Friends in New York in antebellum days. Their quaint ways are set forth entrancingly. Then come college days, boyish pranks, love episodes and early war experiences. The climax is a fine description of the battle of Gettysburg, all told in humor, pathos and literary style of a high order.



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OREGON BANKERS TO AID FARMING

Portland, Ore., January 2.—Oregon bankers have started a movement that has for its purpose the introduction of a course of agricultural instruction in the public schools. The financiers believe this will bring about a real back-to-the-soil movement, for it will give the town boy, with a liking for agriculture, an opportunity to learn how to farm, while at the same time it will have a tendency to keep the farm boy on the land. The sole object of the bankers is to make farm life more attractive by showing the producer how to improve and increase his profit. It is believed this cannot help but increase the ranks of the producers by thinning those of the overcrowded army of consumers in the cities.

The Oregon State Bankers Association appointed an agricultural committee, and the past week this committee has been in session. Among those attending were President Kerr of the Oregon Agricultural College at Corvallis, President Campbell of the University of Oregon, L. R. Alderman, city superintendent of instruction, and several prominent bankers. President Kerr outlined the work his institution is carrying on in disseminating agricultural instruction among farmers.

Superintendent Alderman made the suggestion that the pupils of the public schools be encouraged to hold competitive exhibits of agricultural products at the county and district fairs. As an instance of what can be done, he referred to a recent exhibition by pupils of the Yamhill county schools. With a school population of 4,500 in that county, there were 1,700 participants in the contest. He urged that this plan is the most effective and direct way to arouse the interest of the pupils in agricultural instruction.

The plan provides for the employment of a competent man who will visit the various counties in the state, enlist the aid of the county school superintendents in the subject of holding competitive exhibits in which school children shall participate, and also to secure the assistance of county superintendents in introducing agricultural studies in the public schools.

The plan met with the approval of the bankers committee and the various interests represented at the meeting promised to co-operate in every possible way.

ROBBER KILLS BANK PRESIDENT

Centralia, Wash., December 31.—The young bandit who shot and killed Lawrence Bar, president of the Farmers and Merchants Bank of Centralia, in an unsuccessful attempt to rob the bank last night, talked freely today, but refused to give his name.

He said his home formerly was in Syracuse, N. Y., and that he came to the Pacific Coast a year ago. On one side of his silver watch was engraved the word "Ernest," and on the other "Riblett."

Bar's slayer expressed willingness to plead guilty to murder, and said he was aware that the penalty would be death.

MCCLEARY ON BANK REFORM

Washington, January 2.—Before the American Academy for the Advancement of Science James T. McCleary delivered on Friday evening an address on "The Reform of Our Banking System."

Mr. McCleary said in part:

"As a nation the United States has three undesirable monopolies. First, this is the only civilized country in the world that ever has a serious financial panic; second, this is the only civilized country in the world that has a series of banks instead of a system of banks; third, this is the only civilized country in the world which keeps the funds of the nation in a national treasury. The first is a result of which the second and third are prime causes.

"Here let us distinguish between a financial panic and a business depression. They are alike in being troublesome business experiences; otherwise they are fundamentally unlike. To point out one distinction, in a financial panic business men are anxious to get money or its equivalent; but, however solvent, they are unable to do so except possibly in very limited quantities and with extreme difficulty; in a business depression, on the other hand, money is easily obtainable but men are timid about accepting and using it. In a financial panic men are seeking money; in a business depression money is seeking men. From business depressions we probably suffer less than any other country; on the other hand, from financial panics we are the only country that suffers seriously at all. It

is entirely practicable for us to banish our financial panics and to reduce very greatly the extent and severity of our business depressions."

JAMES G. CANNON OPTIMISTIC

James G. Cannon, president of the Fourth National Bank, New York, is not disturbed over the political outlook. He says:

"General business conditions are in very fair shape and people are feeling more reassured about the future than they did a few months ago. I think that the revival which has already been seen in the steel trade may be expected to extend to other lines of business. The sentiment of the country is more optimistic and I believe that the public mind is less disturbed than it was about the possibility of political disturbance.

"It seems to me that there has been a reaction in the last few months in favor of more conservative methods and that the whole country is becoming more than ever anxious to get down to real business again, and not to experiment with various new theories of business regulation. While there may not be any boom in general business, I believe that the year now opening will prove to be in many ways a much better year for the business interests of the whole country than the past year has been."

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Iowa Banking News

By W. C. JARNAGIN

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Des Moines, January 3.—The past year was a good one for the Iowa bankers. The year just opening will be a better one, they believe. The close of 1911 finds the banks well loaned out, and keeping a better reserve than ever before. Business has been somewhat dull in many of the smaller towns, and the latter have felt the tightness of the money situation. But Des Moines bankers anticipate that money will be easier in 1912. While it is a presidential year, bankers do not fear the effect of the political unrest as they did some years ago.

So far as Des Moines is concerned, the year 1911 was most gratifying. Total clearings for the year were \$209,659,412.51 an increase over the clearings for the preceding year of \$3,763,413.50. This is a larger increase than has ever been shown over a preceding year in the history of Des Moines, except in 1910, which set a record that was not quite equaled by 1911. The largest clearings in any single month totaled \$23,121,839.99 for the month of March. Owing to the real estate activity, March usually carries off the banner for clearings.

According to the final report of the state banking department for the year, there were 41 new state and savings banks established during the year. While statistics are not obtainable as to the number of national banks established, it is thought by Des Moines bankers that the number will approach half that number. Deposits in the state and savings banks increased over \$6,000,000 throughout the year, so the same report shows.

Moral for Iowa Bankers

There is a moral for the Iowa banker who does not belong to the Iowa Bankers Association in the bold attempt to rob the Orchard bank near Charles City a fortnight ago. It will be remembered that a stranger entered the bank, knocked down Cashier Clapper, then fled, leaving some \$15,000 untouched. Since then efforts have been made to secure a reward for the conviction of the assailant through the Iowa Bankers Association and Secretary Hall has received letters from the bank officials and from the county authorities asking his assistance in prosecuting one Guliver who is under arrest. But Secretary Hall has replied that the bank does not belong to the association and that he can do nothing in either the direction of reward or assisting in the capture and conviction of the guilty parties. Doubtless the bank officials are now regretting their shortsightedness in not becoming members of the association.

Iowa State Savings at Creston

The Iowa State Savings at Creston declared a \$50,000 Christmas gift and shared this amount among the twenty-nine stockholders. This amount represents the surplus accumulation for several years above the modest divi-

dend annually paid. The bank directors felt that it was unnecessary to longer carry so large a reserve fund. The bank has been in operation since 1883 and for twenty years F. D. Ball has been cashier and Scott Armstrong assistant cashier. D. Davenport is at present the president and P. C. Winter is vice-president.

Tax Ferrets

It seems like old times at Waterloo, where six suits have been started in the district court to test the power of the tax ferrets who were declared "dead issues" in Iowa by the last legislature. The cases state that Tax Ferret Ben McCoy caused to be levied assessments on money, credits and corporation shares of stock and that such assessments are illegal. F. F. McElhinney, a well-known Waterloo banker, is plaintiff in one case. He seeks to be freed from assessments on corporation shares reported at \$81,000. Although the legislature passed a law putting the ban on the tax ferrets many counties are still employing them under contracts entered into prior to the enactment of the law.

New Bank for Dubuque

Dubuque is to have a new bank, the German American Savings. Articles of incorporation have been filed at Des Moines with the secretary of state giving the capital stock at \$50,000. The new bank is headed by N. J. Schrup, president of the Dubuque Fire and Marine Insurance Company and a member of the Iowa senate from Dubuque county. Henry Michel is vice-president and A. C. Lantzky is cashier. The German American was formerly operated as a branch bank of the German Savings, but under the decision of the attorney-general ruling out branch banks in Iowa, the institution was incorporated as at present. There is a good field for the institution and it is anticipated that it will prove a great success.

May Establish Public Loan Bureau

The Commercial Club of Des Moines is considering the establishment of a public loan bureau which will be supported by the club and will run in opposition to the "loan sharks" of the city. A committee has been appointed to look into the situation and arrange tentative plans for its establishment. The plan contemplates the loaning of funds to the needy at reasonable rates of interest. It is expected that these will prove an attraction to the poorer class who are now driven to excessive and usurious rates by the demand of the loan agencies.

Bleakly Entertains Bank Examiners

John L. Bleakly, auditor of state, was host to the bank examiners in his department at a dinner at the Chamberlain Hotel one day last week. It was the purpose of the auditor to outline plans for the coming year and arrange for a more thorough inspection than was ever

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RENT C. FERRAN, Cashier A. R. SHOLSE, Auditor

Reserve Agents for National Banks

Richland, Ga.—Farmers and Merchants Bank is being organized at this place by Jas. S. Gordy, G. C. Adams, E. B. Pickett, C. C. Alston, M. H. Perry and J. J. Askew. Capital \$25,000.

before given. The auditor was given respectful attention and the occasion was one of enjoyment as well as business interest. Those present included Frank E. Roberts, chief bank examiner; C. B. Ellis, chief clerk in the banking department; Examiners George W. Pennell, C. E. Putnam, A. O. Wolliver, H. M. Cormany and G. E. Grier. Two national bank examiners, N. E. Haugen and H. M. Bostick, were guests.

E. E. Hart on Witness Stand

E. E. Hart, president of the First National at Council Bluffs and Iowa's member of the republican national committee, who has been involved in the public prints more or less with the Mabray gang swindling operations, was called to the witness stand in the trial of Ben Marks of that city, accused of complicity with the swindlers. Mr. Hart denied emphatically that either he or the bank had ever in any way been connected with the swindles or with the transactions in which the bank and Marks, the defendant, were coupled by the testimony for the state. T. G. Turner, president of the City National and formerly associated with Hart, testified along the same lines. Cashier J. J. Spindler was also on the stand. He testified to trying to induce one of the "Mikes" not to part with his coin, but that his advice went unheeded. He told of cashing some good-sized drafts but denied any complicity in the swindles.

Cought; Commits Suicide

An unusual case is reported from Jefferson, where one Anton Aigner stole \$3000 from his father, Ignatz Aigner, and fled to Chicago. Here he fell in with some sharpers who failed to get the money but persuaded the lad to deposit all but \$500 in a Chicago bank, then skip out to escape arrest. Apparently they intended to try to work some scheme to get the money but officers appeared on the scene and the boy was arrested at Milwaukee. The next day Anton committed suicide. The officers found \$500 in his pockets, and some days later the father secured the remainder of the amount from the bank in which it had been placed.

Burns in Great Favor in Iowa

The employment of the W. J. Burns Detective Agency to take charge of the Iowa situation has been received with popular favor throughout the state. Secretary Hall of the Iowa Bankers Association has received many letters approving the selection and extending congratulations over the securing of the famous sleuth.

Banking Notes

The temporary tax commission which is expected to work out changes in the Iowa tax laws and suggest them to the next legislature will meet in Des Moines the middle of January. The commission is getting the work well in hand.

Postal savings banks will be established January 19th at Carson, Malcom, Morning Sun, Ocheyedan and West Point.

The Farmers Savings of South English has filed articles increasing its capital stock from \$10,000 to \$16,000.

David Dorn, arrested at Marshalltown on charges of forgery said to be filed in Minneapolis, owes his capture to his desire to talk over the telephone with his sister at Green Mountain. Dorn was recognized by an officer as he stepped into a telephone booth in Marshalltown. When he stepped out, the officer nabbed him. It is claimed that he has been going under the alias of H. A. Brown.

The Peoples Savings at Newton proposes to encourage the raising of good corn in Iowa by offering a prize of \$10 to the exhibitor of the

best ten ears of corn grown in Polk county. The prize will be awarded at the forthcoming corn show, which will be held this year at Newton.

The St. Charles Savings at St. Charles had a narrow escape from fire when the business section of that city was swept away by a conflagration. The bank building was discovered in flames but they were extinguished before the damage reached a serious stage.

The Valley Savings at Missouri Valley has filed articles of incorporation with the secretary of state. The capital stock is \$50,000. The incorporators include W. J. Burke, D. C. Ford and S. C. Graham.

Richard Nash has been made bookkeeper in the First National at Charter Oak.

Ed. Scott, a Keokuk negro, wanted to purchase Christmas presents for his lady love, and was arrested charged with forging the name of B. F. Jones to two checks to procure the wherewithal. Scott was accused of cashing one \$40 check at one saloon and a \$10 check at another. His third attempt was disastrous for he tried to get a \$40 check past the Central Savings and was arrested.

W. W. Burrell, manager of the First National at Greenfield, has disposed of his interest in that institution.

Park Chamberlain of Anamosa has been elected president of the Wyoming National, but retains his connection with the Anamosa National.

D. P. Hogan, president of the Farmers Savings at Massena and Cass county representative in the Iowa legislature, is spending the winter on the Pacific Coast with Mrs. Hogan.

R. K. Davis, representing the Farmers National at Oskaloosa, bought \$33,000 in municipal bonds issued for a new structure for the city business.

Sioux City

By JOHN J. BIDDISON.

Yearly reports made by the commercial institutions of the city revealed that Sioux City has had a year prosperous beyond any reason to expect, in view of the start it had. A wholesaling trade of approximately \$40,000,000, according to the estimates of the Commercial Club, and a live stock business of the same amount, according to the figures given out at the stock yards, are two of the striking figures for 1911. Bank clearings fell off quite markedly, owing in part to the general slump the country over and in part to consolidations that cut in quite deeply. The reference here is particularly to the purchase and absorption of the Merchants National by the First National, which immediately caused a shrinkage in the daily clearing house figures. The total clearings for the year were \$127,326,768.61, as compared with \$150,383,133.97 in 1910. The year 1910 was the greatest year of all in amount of clearings. The clearings by months were as follows: January, \$10,634,103.41; February, \$9,004,003.79; March, \$14,176,207.87; April, \$10,407,387.14; May, \$10,620,449.28; June, \$10,675,067.36; July, \$9,520,541.00; August, \$9,932,386.38; September, \$10,122,942.64; October, \$11,206,794.79; November, \$10,160,542.14; December, \$10,776,340.81. Of the jobbing figures, most interesting are those in the grocery line, \$10,000,000 total; hardware, \$4,000,000; dry goods, \$1,000,000; fruit, \$1,250,000; candies, \$1,250,000; drugs, \$1,250,000; agricultural implements, \$2,000,000; dairy products, \$4,000,000; grain and grain products, \$4,000,000; automobiles, \$2,250,000, and builders' supplies, \$2,000,000. Sioux City attained one distinction

over other packing centers by being the only one to beat its own record in cattle receipts. All others fell off. In total amount of business in live stock also this packing center beat its previous best record. Building for the year is estimated by the city engineer at \$3,000,000; postal receipts were the greatest ever, topping last year's mark by totaling \$285,531. An elaborate report on the city's commercial activities, written by George S. Parker, president of the Commercial Club and president of the Live Stock National Bank, was one of the features of the last business day of the year. In this he recited the accomplishments of the year and pointed out what should be done in 1912.

Among the Visiting Bankers

L. W. Moody, president of the First National Bank of Pomeroy, Iowa, was in Sioux City Wednesday.

Walter R. Hubbard, president of the Farmers State Bank, Lane, S. D., was in Sioux City Wednesday.

W. A. Schaetzel, president of the Union County Bank, Elk Point, S. D., was transacting business in Sioux City Tuesday.

B. E. Adkins, president of the Farmers State Bank, Carthage, S. D., was in Sioux City Friday.

W. R. Cain, cashier of the Security National Bank, Randolph, Neb., was in Sioux City

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Saturday on his way to the old home at Paulina, Iowa, to spend New Year's Day with his parents.

H. E. Edmunds, cashier of the American State Bank, Yankton, S. D., was looking over the new building of the First National Thursday.

P. G. Riedesel, a banker of Oto, Iowa, was in Sioux City Friday.

Gov. R. S. Vessey, of South Dakota, called on the officers of the First National Bank Friday.

State Bank Examiner Muldowney paid a business visit to the city Saturday.

Iowa News Notes

The Lytle Construction Company, of Sioux City, has completed the erection of a building at Ida Grove, Iowa, for the First National Bank. It cost \$4,000. The new block will be occupied as soon as fixtures arrive.

W. E. Bear has been trapped. Mr. Bear, whose home, presumably, is at Grant City, Mo., was arrested on the charge of issuing a bogus check against the Carson Savings Bank at Woodbine, Iowa.

Capt. J. H. Warren, a retired banker and pioneer citizen, died suddenly of heart failure this week at his home in Oskaloosa, Iowa. He was seated at a table with friends celebrating his 80th birthday anniversary.

CENTRAL WEST LETTER

(Continued from page 21)

Newburgh, Mo. About ten days ago Scanlan started to drive out into the country, and disappeared. No trace of his body has been found.

The stockholders of the Park Bank of St. Joseph, Mo., at their annual election, December 28th, chose the following board of directors: A. P. Clayton, C. A. Frazer, John T. Merriam, Christian Block, James F. Reardon, P. D. Stinson, C. L. Wiehl and William Morrison. C. L. Wiehl is president, M. C. Powell secretary and P. D. Stinson, cashier.

The Inter-State National Bank of Kansas City has declared a semiannual dividend of 10 per cent. This bank is located at the stock yards and is the oldest bank in that district.

At the annual election of the Western Exchange Bank of Kansas City a semiannual dividend of 6 per cent was declared, and the

following board of directors elected: William T. Johnston, William H. Lucas, John H. Lucas, David S. McGonigle, J. Q. Watkins, J. Z. Miller and Henry Koehler.

The New England National Bank of Kansas City followed its annual custom and made a Christmas distribution among its employees equal to 5 per cent of the salary of each. The total distributed this year was \$4,250.

The directors of the Commerce Trust Company of Kansas have declared a quarterly dividend of 1½ per cent. This is on a capitalization of \$1,000,000. In addition to the dividend the directors set aside \$75,000 of the bank's earnings as surplus.

Among the bankers who spent part of the holiday season in Kansas City were: J. A. Menefee, vice-president, and Boon D. Hite, cashier of the Anadarko State Bank of Anadarko, Okla.; C. S. Groves, president of the Groves National Bank of Hollis, Okla.; A. D. Kendall, president of the Kendall State Bank of Valley Falls, Kan.; T. M. Walker, president of the Atchison, Kan., Savings Bank; B. B. Harris, vice-president and cashier of the South Texas National Bank of Houston; R. A. Smith, cashier of the Lawson Bank of Lawson, Mo.; C. L. Bruner, cashier of the Burns State Bank, Burns, Kan.; C. J. Drund, cashier of the Citizens State Bank, Marble City, Okla.; W. H. Bausfield, assistant cashier of the First National Bank, Auburn, Neb.; M. F. Stillwell, president, and H. V. Foster, vice-president of the American National Bank, Bartlesville, Okla.; M. T. Davis, cashier of the Bank of Aurora, Mo.; E. L. Shaepless, cashier of the Home National Bank, Caney, Kan.; S. T. Smith, secretary of the Joplin, Mo., Trust Company; A. B. Wilson of the State Bank of Akron, Colo., and J. F. Farrell, vice-president of the Fort Dearborn National Bank, Chicago.

Not long ago a number of rich farmers living in Cherokee county, Kan., were assembled informally in a store at Hallowell, one of the larger towns of the county. Someone proposed that a bank be organized then and there, and in less than ten minutes the \$10,000 capital stock of the Hallowell State Bank was oversubscribed.

Within the past week officers of the National Bank of Commerce of Guthrie, Okla., purchased controlling interest in the Guthrie National Bank and merged the two institu-

tions under the latter name. The deal also includes the liquidation of the Bank of Indian Territory, a state banking department of the Guthrie National Bank.

The stockholders of the Southwest National Bank of Kansas City have declared a dividend of 8 per cent payable quarterly after January 1st. This bank has been in existence three years and heretofore all the earnings have been put back into surplus.

A new bank will be opened soon in Guthrie, Okla., to take the place of the National Bank of Commerce of that city, which recently was merged with the Guthrie National Bank. The new bank will have \$50,000 capital and it was organized by Joseph McNeal, Republican candidate for governor of Oklahoma in the last state campaign. Mr. McNeal will be president.

The Republic Surety, Fidelity and Trust Company is the name of a new concern now being organized in Dallas, Texas. It will have a capital stock of \$5,000,000. Charles L. Wakefield is the moving spirit in the enterprise.

The City National Bank of Dallas, Texas, has declared a semiannual dividend of 10 per cent on a capital of \$1,000,000.

The executive committee of the Oklahoma Bankers Association met in Tulsa last week and made preliminary arrangements for the state meeting to be held in that city next May. The following members of the committee were present: W. S. Guthrie, chairman, Oklahoma City; W. B. Harrison, secretary, Enid; A. E. Patrick, Chandler; O. J. Fleming, Enid; Tom Dwyer, Chickasha; D. S. Dill, Hobart; J. H. McBirney, Tulsa; H. M. Spalding, Enid; B. R. Brundage, Tishomingo, and A. W. Thomas, McAlester.

BIG WESTERN BANK MERGER

Los Angeles.—The merger of three banks here, Security Savings, Equitable Savings, and Southern Trust Company, into one great institution to be known as the Security Trust and Savings Bank, which will be one of the largest, if not the largest, of its kind west of Chicago, is about to be consummated, according to Joseph F. Sartori, president of the Security Savings Bank. The new bank will have total resources of \$44,000,000, deposits of \$40,000,000 and 80,000 depositors.

BANK CLEARINGS INCREASED

Milwaukee, Wis.—President J. W. P. Lombard of the Milwaukee Clearing House Association says that while the past year has been fair from a business standpoint, profits were small. He thinks that the coming year will show some improvement. Total bank clearings were \$692,807,381.95 up to December 28th, an increase of more than \$34,000 over 1910.

"While the bank clearings show an increase over the previous year, it must be remembered that the city is growing and an increase is to be expected," he said. "However, we have reason to believe that business in 1912 will be better than it has been. The country has been living from hand to mouth, so to speak, and a change for the better is bound to come.

"Even though a president is to be elected in 1912, it ought not to make a difference so far as the prosperity of the country is concerned. Politicians have learned better than to flaunt the prospect of hard times in the faces of people as an excuse to keep them in power or to make changes.

"The sentiment points to a renewed confidence in the business world, and sentiment goes a long way to determine a condition. Milwaukee will share whatever prosperity comes to the country."

INDIANAPOLIS BANK OPENED

The new National City Bank, formed by the consolidation of the Union National and the Columbia National banks, opened for business on Tuesday at the Columbia Bank quarters in East Washington Street. Other banks in Indianapolis, friends of the two banks, and correspondents of the banks in Chicago and New York, had sent flowers, and the banking house showed an abundant display of these. Hundreds of patrons of the banks were visitors.

Both the Columbia and the Union closed business Saturday. The New Year's holiday afforded the new bank an opportunity to get things in readiness for the opening. Other officers in addition to President McIntosh, who was president of the Union, are: F. M. Millikan, vice-president, formerly president of the Columbia; John R. Welch and L. P. Newby, vice-presidents. W. K. Sproule is cashier, and Harry B. Wilson, assistant cashier. The board of directors of the new bank consists of the combined boards of the two banks which consolidated.

BRANCH BANKS PROPOSED

H. M. P. Eckhardt, author of "A Rational Banking System," holds the view that all the faults of the present methods would be remedied by the introduction of branch banks. The recent National Citizens League proposal for a wide campaign of education on the subject does not go so far. Mr. Eckhardt, in "A Rational Banking System," enumerates twenty-five points showing the good results which he believes would follow the inauguration of the branch-bank system.

SWEET SET FREE

George R. Sweet, the Detroit and Munith banker, who was accused of defrauding the bank's depositors out of several thousand dollars, has been discharged from custody, the prosecutor holding that not enough evidence of criminality exists to make a conviction possible. Sweet testified before the commissioner in bankruptcy that he had nothing when he bought the bank, that he was in debt and that he made the purchase for other parties.



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THIS bank makes a specialty of handling inactive reserve accounts for banks and bankers, and of supplying carefully selected bonds for investment or circulation purposes.

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1-A Reflex, focal plane shutter, Celorsix-inch lens. Cost \$84.50. Like new. \$45.00. Address, X-44, Chicago Banker.

1-A Graflex, 1C, Tessar lens, focal plane shutter (new out of stock), value, \$101.50. Sell, \$85.00 Cash. Address, X-55, Chicago Banker.

4x5 Goerz-Argo, latest model, Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$165.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale. 9 1/4-inch Goerz Dagor, Volule shutter. value \$97.50. Sell for \$50.00, like new. Six-inch Dagor, Koilos Shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.50.

Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER.

407 Monadnock Block, Chicago.

NEW KENTUCKY BANK

The Citizens Bank of Erlanger has been organized with the following officers: President, George W. Buffington; vice-president, T. J. Stephenson; E. F. Smith, cashier. George Gebhard, P. M. Witt, Claude Slater, Charles Gurney and E. T. Gayle were chosen directors of the new bank, which is capitalized at \$25,000.

Williston, N. D.—L. C. Wingate, formerly of the First State Bank of Ray, has taken up his duties as cashier of the Farmers and Merchants Bank of this city, succeeding A. C. Anderson, the former cashier.

The new bank of Moccasin, Mont., will be opened soon, with L. V. Jackson of Moore as cashier.

Department of New Business

NORTHWEST

Sailor Springs, Ill.—The Sailor Springs Banking Company has been organized with the following official staff: J. M. Drake, president; J. I. Levitt, vice-president, and W. J. Bunn, cashier. The capital is \$30,000.

Brookfield, Ill.—The Brookfield State Bank has been organized here. John F. Heir, Wilson W. Lampert and Henry Staudt are interested.

Neat Pleasant, Ind.—The Farmers and Mechanics Bank has been organized with \$25,000 capital. John W. Gregory, E. S. Wolfe, W. Edward and Francis Carmody are interested.

Montgomery, Ind.—The Farmers and Merchants Bank has been organized with Oliver Walker, president, and B. L. Spalding, cashier. The capital is \$10,000.

Bessemer, Mich.—The Peoples State Bank has been organized with \$25,000 capital. M. A. Haggerman is to be cashier.

Superior, Wis.—The Wisconsin Loan and Trust Company has been organized with \$50,000 capital. W. H. Wells, D. C. Webb, and E. S. Buckman are interested.

Appleton, Wis.—The Appleton State Bank has been organized with \$50,000 capital. G. A. Zuehlke is president, and B. K. Zuehlke, cashier.

Rome, Wis.—The Rome State Bank has been organized with \$10,000 capital.

Strandquist, Minn.—The Farmers and Merchants State Bank has been organized with \$10,000 capital. O. H. Ligaard and R. G. Tweeton of Halma, N. A. Johnson, P. A. Sundburg, J. W. Lundstrom and others of this place are interested.

Columbia, Mo.—The Conley-Myers Bank has been organized with \$20,000 capital. W. T. Conley is president, and S. M. Myers, cashier.

Overly, N. D.—The Farmers and Merchants State Bank is organizing. P. B. Harber of Fond du Lac, Ole Synerton of this place, and Geo. Lunberg of Willow City are interested.

WEST

Sharon, Okla.—The Sharon State Bank has been organized with \$10,000 capital. H. R. Kent is president; J. H. Cox, vice-president; J. C. Krouth, cashier, and L. B. Krouth, assistant cashier.

Seattle, Wash.—G. H. Burr & Co., of New York City, have opened an office here. W. A. Broom, formerly associated with the office of the national bank examiner of this district, is in charge.

Alamogordo, N. M.—The Alamo State Bank is being organized at this place by J. R. Gilbert, president, with a capital of \$15,000.

SOUTH

Chattanooga, Tenn.—The Mercantile Trust Company has been organized with \$10,000 capital. E. M. Elsworth, C. E. Kirkpatrick, J. H. Keller, W. A. Henson, and E. B. Shadden.

Conasauga, Tenn.—The Bank of Conasauga has been organized with \$25,000 capital. M. C. King and C. B. Benedict are interested.

Guion, Ark.—The Izard County Bank has been organized with J. W. Williamson, president, and Austin Billingsley, vice-president.

Gentry, Ark.—The Citizens Bank has been organized with \$10,000 capital. R. H. Carl, J. F. Mitchell, E. P. Rice, and Thomas Lynn are interested.

Rome, Ga.—The Rome Loan and Trust Company has been organized with \$50,000

capital. E. P. Harvey, Wright Willingham and C. B. Willingham are interested.

Lovett, Ga.—The Bank of Lovett is organizing. Mrs. M. P. Johnson, Mrs. D. J. Manning, E. J. Smith, M. F. Hightower and others are interested.

Tunica, Miss.—The Planters Bank is organizing with \$20,000 capital. John R. Terry and L. D. Butt are interested. W. H. Powell will be cashier.

Orrville, Ala.—The Orrville Bank and Trust Company has been organized with \$25,000 capital. J. E. Dunaway, J. Lambert, and T. F. Ormond are interested.

Brewton, Ala.—The Farmers and Merchants Bank is to be chartered. E. S. Liles, J. E. Finley, F. H. Mason, C. F. Rankin and G. W. Parker are interested.

Springtown, Texas.—The First State Bank is organizing with \$15,000 capital. J. T. Ward is president. J. D. Doughty, vice-president, and J. D. Hutcheson, cashier.

Miami, Fla.—Southern Bank and Trust Co., capital \$100,000, is reported being organized. The officers are: J. N. Lummus, president; Frederick Streeter Morse, vice-president; Clarence L. Huddleston, secretary and treasurer.

EAST

West Haven, Conn.—The Orange Bank and Trust Company has been organized with \$25,000 capital. W. S. Woodruff, W. A. Main, R. J. Woodruff and Greene Kendricks are interested.

White Oak, N. C.—The White Oak Bank has been organized by George P. Wall of Asheville, J. E. Hardin, A. C. Holt, J. H. Cole and A. B. High.

Payne, Ohio.—The Payne State Banking Co. has obtained a charter.

GATES PREDICTS PROSPEROUS YEAR

Cheerfully optimistic concerning the entire United States of America, Charles G. Gates, of Texas, during a ten days' visit to Minneapolis expressed his belief that business conditions in the country have made a permanent turn for the better and that Minneapolis is going to feel the result.

"Were not a presidential year ahead, I should not hesitate to predict a pronounced increase in general business activity," Mr. Gates said. "There will probably be some holding down by reason of the election. I believe, however, that there will be distinct gains in all business and that every advance will be legitimate and not artificial. I have just come from the South and the cotton crop is so big it looks as if they will never get it all picked. The Northwest ought to start in 1912 with good steady business, no boom, but a healthy condition of advance, and then, if we get good crops next year, Minneapolis ought to grow rapidly. That's the way it looks to me."

"One thing that makes me feel that way is the fact that \$80,000,000 represents the equipment orders that ought to be placed because the equipment is needed. When these orders will be placed depends upon the word from the men in authority on the railroads and other big companies, but it is a condition that bears good promise. When I was here last everything was pretty dull in the East. There has been improvement, and it has encouraged me to believe that there is much more improvement to come."

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

and also on an American lecture tour. Both men lectured on Dickens, and the coincidence is remarkable.

DEPOSITS of the 473 state banks in Kentucky at the close of the year reached almost sixty-nine millions. Dr. Ben. L. Bruner, secretary of state, continues to examine state and private banks "by contract," the law having been assailed and rendered null in the courts.

THE annual convention of the Oklahoma Bankers Association will be held in Tulsa, May 10-11, 1912.

SPOKANE Clearing House has decided to pass no overdrafts on Spokane banks. The comptroller has taken a decided stand on this subject. The clearing house at Spokane calls the attention to a decision of the U. S. courts on the subject of overdrafts which reads:

CCOURT of the United States on overdrafts in *I Peters*, page 71, as follows: "A usage to allow customers to overdraw, and to have their checks and notes charged up, without present funds in the banks, stripped of all technical disguise, the usage and practice thus attempted to be sanctioned is a usage and practice to misapply the funds of the bank, and to connive at the withdrawal of the same, without any security, in favor of certain privileged persons, is surely a manifest departure from the duty, both of the directors and the cashier, as cannot receive any countenance in a court of justice. It could not be supported by any vote of the directors, however formal, and, therefore, whenever done by the cashier is at his own peril, and upon the responsibility of himself and his sureties. It is anything but 'well and truly executing his duties as cashier.'"

IT wasn't surprising then to note in the December 5th report of the Old National to the comptroller that overdrafts had been kept down to \$37.03. Pretty nice work for a ten million bank.

MICHIGAN association at a recent meeting of the executive council added the educational feature to the association work, "in order to stimulate a deeper interest on the part of bank clerks in the work of the American Institute of Banking." President Monroe requests members to please send in, at once, a typewritten list of names of all clerks under the cashier, so that the association may co-operate with them "in this great work of education of bankers in Banking and Finance and Commercial and Banking Law."

SECRETARY BROWN is being congratulated upon the capture of "A. G. Stevens of the Chicago Haddock Company," who had been operating in Oakland and Jackson counties. Prompt notice to the association is the real secret of these captures, just as it was in this case.

W. G. EDENS got a hurry-up call to come out to Elgin to talk to the Elgin Commercial Club banqueters on Thursday evening. It hurt to have to refuse, but here is what he sent out:

"I REGRET greatly my inability to be with you on the date mentioned, as during the past sixty days Central Trust Company of Illinois has almost doubled its deposits through the taking over of the banking business heretofore transacted by the Monroe National, the Metropolitan Trust and Savings, and the Western Trust and Savings, making our deposits now thirty-six millions. Naturally we are terribly rushed with work here; otherwise I would gladly make the trip as

you request. At some future date I hope to have the pleasure of meeting your members."

NOW comes W. C. Macfadden, secretary of North Dakota. He has sent "night letter" requests to all officers and members to send samples of corn to the Grain Growers convention to be held at Fargo January 16-20. North Dakota is getting into the diversified crop and live stock game with a will. Agriculture is being taught in the schools. Why not, with butter in Chicago at 50 cents and bacon 38?

MACFADDEN also promises that "soon after the first of the new year another strenuous effort will be made to arrange for group meetings in the various judicial districts of the state. Members are earnestly urged to assist in perfecting arrangements for these group meetings. Where no group organizations have been perfected it is the duty of the member of the executive council for that district to take upon himself the responsibility of arranging for a meeting. These meetings are very pleasant and very profitable. Some of the officers of the state association will attend all group meetings and assist in arranging a profitable and interesting program. 'Better Farming' will be the slogan at these meetings and we are trying to arrange to have Mr. Cooper, general manager of the Better Farming Association of North Dakota, attend and outline the work of that association."

STEWART S. HATHAWAY has been admitted to membership in the firm of Hathaway, Smith, Folds & Co.

LEE, HIGGINSON & CO., Boston, are making a big hit with a list of stuff "non-taxable in Massachusetts."

"BUSINESS EXPERIENCE" is a neat little house-organ sent out by the Everitt Audit Company, 79 West Monroe, Chicago. The best thing about it is that it is virile and original and thus different from the bunch. You can get on the list by asking for it.

MINNEAPOLIS banks showed \$106,647,000 in deposits for December 5th, the new high record. Probably no city in the country turns its bank money over so often as they do up there. The bankers are the liveliest known to the business.

CAPTAIN E. A. MADDOX, cashier of the Fayette County Bank, Somerville, Tenn., has moved into a new, high-class residence built on modern lines.

DON S. CULVER (president of Minnesota Bankers) says this is what St. Paul expects to accomplish in 1912: The beginning of work on a new Union Depot; a new charter; an improved lighting system; much sewer construction; new playgrounds and the commencing of work on the Capitol approaches; several new club houses and other large buildings; pronounced activity on the part of the Association of Commerce and the Commercial Club; brilliant outlook for new library; four new high schools in operation, and a smooth running public school system; prospects of two new interurban lines connecting the city with southern points in the state; prosperous conditions in the realty market; the erection of a fresh-air school; the completion of the Wilder Charities building.

CASHIER.

The First State Bank of New Pierz, Minn., will open for business the fifteenth of January. It is capitalized at \$100,000 with a surplus of \$2,000. The officers are G. F. Kirscher, president; Charles Sprandel, vice-president, and N. J. Fichtinger, cashier.

N. W. HARRIS' GIFT TO CHILDREN

N. W. Harris' gift of a quarter million to bring the benefits of the Field Columbian museum to school children is more than a generous and public spirited act. It marks an advance in the use of our educational facilities. To give maximum effect to our libraries, our museums, our galleries, we are realizing more and more that we must make them dynamic, not merely repositories of useful knowledge, beauty, and inspiration which the few informed will seek out. The library under Mr. Legler is now going to the people, not merely waiting for the people to come to it, and with Mr. Harris' farsighted gift the Field museum becomes an active and widely effective part of our popular school system.

This gift will make practically for good citizenship, which is really nothing but intelligent, informed citizenship, and Mr. Harris deserves the thanks of every one interested in the progress of the community.—The Tribune.

POOR BANKING CAUSE OF FAILURE

Portland.—That the men who were actively engaged in the conduct of its affairs did not have the necessary experience to run a bank and showed poor judgment in making investments, is the verdict of Bank Superintendent Will Wright in the matter of the recent failure of the American Bank and Trust Company. "I have discovered nothing whatever to indicate there were any shady or criminal transactions on the part of the directors or officers of the bank," said Wright. "There simply were not enough quick assets to meet pressing obligations, and I had no other recourse than to take possession. The bank was unfortunate in taking over the assets of the Union Bank and Trust Company. Those securities were worse than useless." The institution was hopelessly insolvent when it was closed, for not only had its capital stock of \$150,000, all paid up, been wiped out, but the surplus of over \$10,000 was gone and more than \$65,000 worth of depositors' money had vanished. There is only about \$115,000 of cash and good assets on hand with which to meet the \$179,000 deposits, although something may be realized on the balance of \$225,000 listed as bad assets.

INDIANA BANKS PROSPEROUS

The comptroller of the currency finds that the 251 national banks in Indiana were never more prosperous or in better condition than at present. He has given out a statement showing that on December 5th, the date of the last call, they held individual deposits amounting to \$113,540,098, and had loans and discounts aggregating \$99,204,413. The average per centum of legal reserve on that date was 17.34.

MOTHERS

Look, mother-sheep in the pasture,

Look, mother-bird on your nest—

Rose-mother, with your roses,

See the child that is on my breast!

O mother-earth, with your children—

Cattle and corn and vine—

Rich were you in your fulness,

And naught was there ever of mine!

I envied you, bird, your nestlings,

I envied you, tree, your leaves;

O corn-field in the valley,

I was woe for your golden sheaves!

But now I may walk among you,

A mother along with the rest,

Be glad with me, my neighbors,

For the child that is on my breast!

—Anne McQueen in January Lippincott's.

ALL BRANCHES OF BANKING



1857

1912

OFFICERS

ORSON SMITH	President	P. C. PETERSON	Assistant Cashier
EDMUND D. HULBERT	Vice-President	C. E. ESTES	Assistant Cashier
FRANK G. NELSON	Vice-President	LEON L. LOEHR	Sec'y and Trust Officer
JOHN E. BLUNT, Jr.	Vice-President	F. W. THOMPSON	Mgr. Farm Loan Dep't
J. G. ORCHARD	Cashier	H. G. P. DEANS	Mgr. Foreign Dep't

CAPITAL AND SURPLUS, \$9,000,000



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

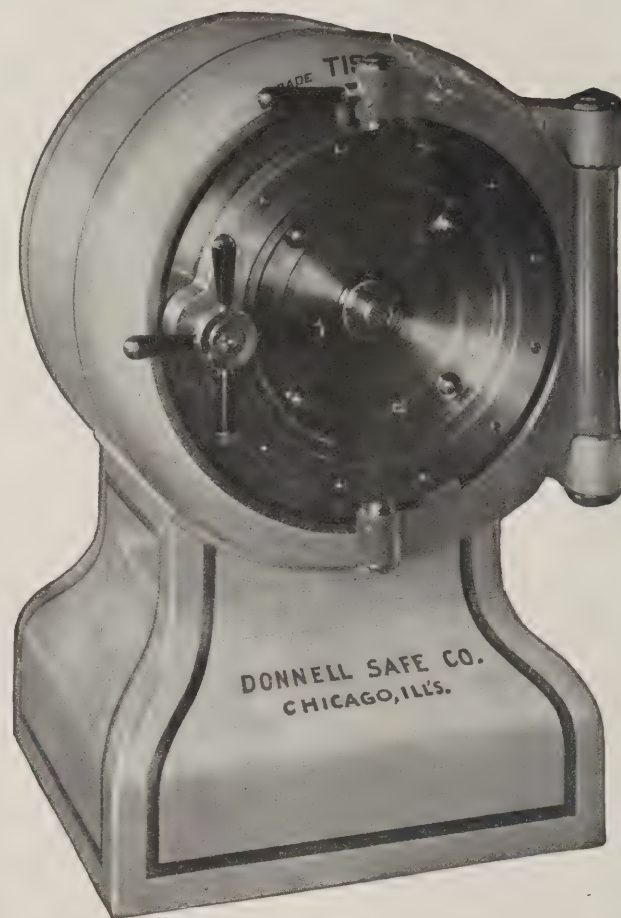
THE NATIONAL CITY BANK
OF CHICAGO

Capital, Surplus and Undivided Profits \$ 2,500,000.00
Resources - - - 29,300,000.00

OFFICERS

ALFRED L. BAKER	Vice-President	DAVID R. FORGAN	President
H. E. OTTE	Vice-President	HENRY MEYER	Assistant Cashier
F. A. GRANDALL	Vice-President	A. W. MORTON	Assistant Cashier
L. H. GRIMME	Cashier	WM. N. JARNAGIN	Assistant Cashier
W. T. PERKINS	Assistant Cashier	WALKER G. McLAURY	Assistant Cashier
W. D. DICKEY	Assistant Cashier	R. U. LANSING	Manager Bond Dept.
		M. K. BAKER	Asst. Manager Bond Dept.

Donnell Safe Co.



General Western Agents for the York Safe & Lock Co., who have the best-equipped safe factory in America. Their Manganese safes are superior to any in the market. We sell these safes subject to a test against any Manganese safe made and will guarantee all our work equal, if not superior, to any made. We can refer you to any banker in Chicago. We carry the largest stock of bank safes in Chicago. Burglar vault doors, vault linings, burglar safes that have been used always on hand. A large lot of second-hand deposit boxes that are modern and good as new.

227-229 Washington St., Chicago, Illinois

Fourth Street National Bank
OF PHILADELPHIA

Capital - - \$3,000,000.00
Surplus and Profits 6,500,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board
E. F. SHANBACKER, President
JAMES HAY, Vice-President
B. M. FAIRES, Vice-President
FRANK G. ROGERS, Vice-President
R. J. CLARK, Cashier
W. A. BULKLEY, Assistant Cashier
W. K. HARDT, Assistant Cashier

The Girard National Bank
OF PHILADELPHIA

Capital - - \$2,000,000.00
Surplus and Profits 4,585,000.00
Deposits - - 40,000,000.00

FRANCIS B. REEVES, President

RICHARD L. AUSTIN
Vice-President

JOSEPH WAYNE, Jr.
Cashier

THEO. E. WIEDERSHEIM
Second Vice-President

CHARLES M. ASHTON
Asst. Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

JANUARY 13, 1912

Entered as Second-Class Matter January 15, 1903, at the
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10 CENTS A COPY



The thirty-year dinner to President W. H. Dunwoody and Vice-President M. B. Koon, by the staff of the Northwestern National, at Minneapolis, easily was the banking event of the week. At the speaker's table—left to right—are T. B. Janney, D. R. Forgan, James J. Hill, W. H. Dunwoody, Toastmaster E. W. Decker, Judge M. B. Koon, J. B. Forgan, Dr. Joseph W. Mauck, O. C. Wyman. In the upper left corner is Joseph Chapman—far from the spot light—talking with Howard Elliott, president of the N. P. R. R. He merely was telling him a funny story, not kissing him as it appears.

Bank Elections

Practically every bank in the city of Chicago, except those which held elections on Tuesday of last week, completed their annual meetings on Tuesday of this week. No changes of note occurred except in those cases in which it was necessary to fill vacancies. The official list of names is entirely too long for the space at our disposal, but the interesting features of the annual elections are included in the following summary:

William G. Schroeder was elected a vice-president of the Continental and Commercial National Bank. Mr. Schroeder has held the office of secretary in the trust company. George B. Caldwell was elected vice-president, but will continue in charge of the bond department. W. H. Rehm succeeded John F. Harris as a director. Two important changes were made in the directorate of the First National, George F. Baker of New York, and Charles Deering retiring. Mr. Deering's place will be filled by W. J. Louderback, who, it is said, will represent the Deering interests, while that of Mr. Baker will be filled by Marvin Hughitt. C. N. Gillett, who has held the title of cashier in addition to that of vice-president, continues as vice-president, and H. A. Howland is now cashier. The Union Trust Company added \$100,000 of undivided profits to its surplus, which was increased to \$1,300,000. At a directors' meeting in December the Chicago City Bank increased its surplus from \$200,000 to \$250,000 out of its undivided profits. Among the smaller institutions, the Citizens Trust and Savings increased its surplus from \$7,500 to \$12,000 in a similar manner and the dividend rate was increased from 10 to 12 per cent. A. A. Sprague II. and John G. Shedd were elected directors of the Merchants Loan and Trust, the directorate of which was increased from twelve to fourteen. The death of Robert Mather and in the increasing of the number of directors of the National Bank of the Republic from thirteen to fourteen made way for the election of Ira M. Cobe and Samuel Scotten as directors of that institution. H. W. Mahan was elected president of the

Washington Park National Bank in place of Isaac M. Powell, while Werner A. Wieboldt was elected vice-president of the Union Bank, the position of second vice-president being abolished. Isaac N. Powell succeeded John W. Venable as president of the Ashland State Bank, and E. H. Nichols was elected vice-president of the Englewood State Bank in place of F. G. Thearle. R. H. Griffin, formerly cashier, was elected vice-president of the Peoples Trust and Savings Bank. His former place as cashier will be filled by Earle H. Reynolds, a son of G. M. Reynolds. John A. Spoor retired as a vice-president of the Live Stock Exchange National Bank, but was re-elected a director. F. A. Fowler was elected vice-president of the Kenwood Trust and Savings Bank in place of D. E. Hartwell, who retired. Edward F. Swift, Averill Tilden, and L. P. Patterson were elected directors of the Fort Dearborn National, the directorate being increased from thirteen to sixteen. John Fletcher and Averill Tilden were elected directors of the Drovers Trust and Savings Bank, the number of which was increased from five to seven. S. M. Felton, president of the Chicago Great Western Railway, and Alexander H. Revell were elected directors of the North Side State Savings Bank.

George M. Reynolds was yesterday elected president of the Hibernian Banking Association. D. R. Lewis retired from that position and became first vice-president. At the annual meeting of stockholders three new directors were elected. Ralph Van Vechten became president of the South Chicago Savings.

John R. Lindgren

John R. Lindgren, who retired on Tuesday from the vice-presidency and from the board of directors of the State Bank of Chicago, was one of the founders of that institution in 1879. Associated with him then were H. A. Haugan, the late president of the bank, and H. G. Haugan, who still is a member of the board. Because of ill health Mr. Lindgren has not been active in the management for three or four years.

E. A. Strause

E. A. Strause, president of the Inter State Bank and Trust Company, Peoria, visited Chicago Monday. Mr. Strause says their deposits are around six hundred thousand, and that about February 10th the Inter State will move into new banking quarters on Jefferson Street just opposite the new Jefferson Hotel, and that at that time they will establish a trust department in charge of Clifford Ireland, a Peoria lawyer who is a member of the old banking family of Irelands, at Washburn, Illinois.

PROMOTIONS FOR FIRST NATIONAL BOYS

The annual meeting of the stockholders of the First National was held January 9th. At the meeting of the directors following, the official staff was re-elected with these changes and additions: C. N. Gillett, who has held the title of cashier in addition to that of vice-president, gives up the former position, continuing as vice-president; H. A. Howland, formerly assistant cashier, was elected cashier; W. J. Lawlor, R. F. Newhall, and George H. Dunscomb, three very active men, were elected assistant cashiers; C. R. McKay, who helped the A. B. A. to its numerical transit system, becomes an official of the bank as manager of the transit and general books department, and J. W. Lynch as manager of the credit and statistical department. Orville Peckham, who has been attorney for the bank for many years, recently met with a serious accident and, though recovering, decided to retire. He is succeeded by Judge Edward Eagle Brown as attorney. John Nash Ott becomes assistant attorney. All officers of the First Trust and Savings Bank were re-elected.

B. F. Harris, president of the Illinois Bankers Association, recently addressed the bankers and farmers of DeKalb county at a meeting held in DeKalb. The farmers and bankers of that county are working hard on the suggested ideas for better farming advanced by the Illinois Bankers Association.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Secretary

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$500,000

JOHN JAY ABBOTT
Vice-President

CHARLES C. WILLSON
Cashier

Officers
GEORGE M. REYNOLDS, President
FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

GEO. B. CALDWELL
Manager Bond Department

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
Circulars on application

105 South La Salle Street

CHICAGO



OLD COLONY TRUST AND SAVINGS BANK

Old Colony Building

CHICAGO

**Capital and Surplus
\$250,000.00**

THAD. H. HOWE - - - President
RALPH C. WILSON - - - Vice-President and Cashier

Special terms for inactive balances

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital - \$2,000,000
Surplus - 500,000
Deposits - 24,000,000

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NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
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COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....\$ 9,887,954.84
February 5, 1909.....11,617,691.24
March 29, 1910.....15,041,357.21
January 7, 1911.....16,736,997.29
March 7, 1911.....21,574,956.79
June 7, 1911.....23,137,746.88
September 1, 1911.....24,500,075.82

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Mainly About Banks and Bankers

TEXAS group meetings most likely will be held this year as follows: Dallas, February 13th; Houston, February 14th; San Antonio, February 16th; Austin, February 17th; Waco, February 19th; Brownwood, February 20th, and Fort Worth, February 22d. The state convention is to be held the 7th to 9th of May at San Antonio.

WE have a very clever little picture of the "First Lesson in Agriculture," which shows Honorable Chapman, turning, razor in hand, to instruct Elizabeth, Jr., aged four, in the tenets of the new Northwest banking cult—farming. It's early and late with Joe, when he's got anything on.

THIRTY years in the service was the excuse for a staff banquet up at Minneapolis, to President W. H. Dunwoody, and Vice-President M. B. Koon, of the Northwestern National. The spread was de luxe, which means some eats in the milling metropolis. E. W. Decker was toastmaster, and the talking was up to the requirements.

THE millers claim Dinwoody as of their cult, but the bankers were in the majority, so it goes down in history as thirty years a banker and not thirty years the boss miller. The Forgans, J. B. and D. R., went up for the occasion. On the right of the toastmaster sat Mr. Dunwoody, and next were James J. Hill, D. R. Forgan, and T. B. Janney. On the toastmaster's left were Judge M. B. Koon, James B. Forgan, Dr. J. W. Mauck and O. C. Wyman. In the room were one hundred and seventy men of Minneapolis, St. Paul, from the state, the financial centers of the Atlantic seaboard, the Pacific coast, Chicago, and from the cities of the Northwest. It was a gathering noteworthy for the presence of men of high position in financial, commercial and professional life, and presidents of great banks and great railroads, heads of great industries and men of eminence in professional life sat about the room.

THE most beautiful souvenirs that good taste and the desire to give something that should be treasured could devise were at the plates of the guests in the form of silver bound frames with large portraits of Mr. Dunwoody and Judge Koon on either side. These contained the announcement of the dinner and the occasion for it and the names of the directors of the bank who were the hosts.

RECENTLY there appeared in this department a claim made by the city of Helena, Mont., that it is the richest city per capita, as shown by bank returns. The paragraph closed with the query "Can you beat it?"

MONDAY morning's mail brings from David G. Brown, president of the Stockmans National at Fort Benton (Mont.) a letter containing a very hard call-down for Helena. Fort Benton has two banks—the Stockmans National with \$1,192,293.43 and the Benton State Bank with \$207,739.61, a total of \$1,400,033.04. This, when divided up

among the population, which is given in the last census report at 1,004, puts Fort Benton in a class by itself.

HELENA people, men, women and babies, have an average of \$800.00 per capita in the banks. Fort Benton men, women and babies have an average of \$1,394.45, which leads our good friends in Helena by about 75 per cent. The bankers of both these cities and the newspapers which represent the bankers are having quite a time over these statistics. Now can any city beat Fort Benton?

MONTICELLO (IA.) STATE BANK has shown over the signature of President H. M. Carpenter a comparative statement of deposits and loans running back to July, 1875. The first statement shows \$73,792 deposits, and from the date until December 31, 1911, the growth is gradual but insistent. Every annual statement shows a growth over the previous year, and not any of the statements shows any growth from consolidation or "boom" operations. The deposits at the bank now stand at \$1,537,929.00.

THE loans in 1875 were slightly above one hundred thousand dollars and have kept pace with the deposits, so that on December 31, 1911, they stood at \$1,572,372.00. Mr. Carpenter remarks at the foot of this splendid showing that "very few people carry statement figures long in their minds." For this reason he issued the comparative statement to recall the history of his institution to its patrons.

A VERY careful reading of our Iowa exchanges confirms our belief that the election of Arthur Reynolds to the chairmanship of the Big Council was a mighty popular event in that state. There may be those who suspected a region of low barometer in and around Waterloo, to whom this will come as pleasant information. Everybody in Iowa, and outside of it, is, or ought to be, very happy over the result.

IT is not known at the present time where the mid-year meeting of the Big Council will be held this year. President F. O. Watts established a very clever precedent last year by having the event brought off in his city of Nashville. He wished to do some honor to the association, and Nashville did not have the capacity to entertain the national convention, so a social compromise was struck. There were those who demurred at first because of the custom of going to New York or some of her suburban resorts for this meeting, but in the end all were convinced of the correctness of Mr. Watts' judgment.

THERE was a very full attendance and a very strict attention to business—so much so that these features were remarked by many of the veterans. The remark has been heard that probably Des Moines would invite the council, this year. No other city of its size could attempt with any likelihood of success to beat or equal the record made at Nashville.

GUARANTY TRUST (N. Y.) has sent out a beautiful photographic calendar, substantially mounted for hanging. It shows the famous New York sky line more perfectly than those particular "commercial Alps" have been shown before. If you have not a balance at the Guaranty, you might send a modest little postal card request to F. W. Ellsworth, and you will have a prompt response.

"HUGHEY" JENNINGS, manager of the Detroit "Tigers," has been elected a director of the Treasurers National at Scranton, which shows that "Hughey" has not been wasting his money, and that he is in high standing and good favor in his home town. Some day he may rival "Jake" Stahl, the ex-diamond star, now cashier of the Washington Park National.

W. H. MAHER, of the Union Savings at Toledo, has written an account of the Ohio bankers trip to the New Orleans convention for the "Ohio Banker," which would do credit to a professional. The Ohio train visited all of the principal cities of the South, either on its going or return trip, and Mr. Maher has recorded what was seen and the impressions left in a most unusually interesting and entertaining way.

OHIO has been making great progress in the way of new bank buildings. The Farmers and Traders National at Hillsboro is in its new banking house, and the Ohio National at Columbus has been running nearly a month in its new building. It is estimated that the Ohio National was visited by not less than five thousand persons on opening day. Both of the buildings mentioned are in the A1 class.

POLITICAL banking in Cincinnati has provided another example of what usually happens in such cases. The trust company organized and operated by George B. Cox, the famous Cincinnati boss, has been taken over by another institution. Quoting President Cox, it may be stated that "certain loans and investments among the assets were objectionable to the banking department." Just bear this in mind.

J. W. HOOPES, of the Austin (Texas) National, has found it advantageous to print the bank statement even in the newspapers in several foreign languages. The head of the secretaries section is right up to the minute on all of these little advantages.

M. A. TRAYLOR, vice-president of the National Stockyards National Bank, has been remembering his friends with a desk calendar. If you did not receive one, it may be that, like ours, it was lost in the mail.

WINTON MOTOR CAR CO., of Cleveland, pays out twenty annual prizes in money to chauffeurs who drive the famous "Winton Six," the largest number of miles on the least up-keep expense. The first prize of \$1,000 this year was paid to R. R. Reilly's chauffeur in Cincinnati. His car ran 27,325

(Continued from page 31)



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VOLUME XXXII

CHICAGO, JANUARY 13, 1912

NUMBER 2

Chicago Loyal to the New Monetary Plan

Leading bankers, business and professional men, and others hope to see the new law adopted as an all-American measure of greatest importance

Bankers and business men generally have given careful study to the report the national monetary commission made to congress Monday. From all sides came approval for the work of the commission and for suggestion of the plan. Most of those interviewed hope congress will see fit to follow the recommendations made and enact legislation needed to establish the National Reserve Association.

There will be strong opposition to the measure in some quarters, and politicians will not pass the opportunity to make capital out of the pending measure, thought prominent Chicagoans. A campaign of education, it was asserted, would be necessary to enable the public in general to estimate the intricacies of the reforms suggested. But once understood, the plan will be accepted as the most necessary and important legislation enacted by congress in years.

George M. Reynolds, president of the Continental and Commercial National Bank of Chicago, was intimately connected with the framing of the report and attended virtually every session of the commission. Although he expected there would be strong opposition to the passage of the bill for a time, he predicted its enactment practically as framed by the commission.

"The bill itself follows the line of the report of the commission exactly," said Mr. Reynolds, "except for the necessary change of verbiage. The bill and the report are not the work of one man or one set of men, but represent the ideas of the greatest financial minds in the world. The Aldrich plan is not a departure from the present banking system, but augments our present law and strengthens the weaker links. Any business man or citizen who studies the report of the commission carefully will be forced to admit the report is a great piece of work, and that it fulfills in every detail what the commission set about to do from the first.

"I recognize in securing the final enactment of the law that there will be much political discussion, but I think that the education of the business world and the public as a whole to the need of this legislation can be brought about. I have no doubt that the bill will be passed. Whether in three or eighteen months I do not care to predict—but the country must have the law and it will have it.

"The National Citizens League has been doing this work of education already and has done good work. Every criticism of the different points in the proposed reforms was gone over and over again by members of the commission. I do not think that after a close study of the bill any of these criticisms will be found to be of merit.

"The cry that the assembling of the cash reserves of the banks of the United States will be putting the money power of the country in the hands of a few is unfounded. It will do just the opposite.

"It will create credit upon a firm basis, and it is a known fact that as 96 per cent of the business of the country is done upon credit this must be done before we can feel secure.

This provision will decentralize the money power a thousand times more than it will centralize it. I think that it is the most important bit of legislation since the Civil War. There certainly will be political pulling and hauling before it is passed, but passed it will be, and the people will soon realize its importance and worth."

Charles G. Dawes, president of the Central Trust Company, who has criticised several proposed features of the Aldrich measure at different times, said he was satisfied to accept the report in full.

"I think the men on the commission have worked out the matter fully and for the best interests of the country," he said. "I am willing to accept the report in full."

"Financial legislation never has received the proper attention it deserved," said Walter H. Wilson, former city comptroller. "We always have waited until the last moment and then shot through some sort of legislation without really understanding what was needed. In the present case the monetary commission has made an exhaustive study of the needs of the country, and I firmly believe that if the Aldrich bill is enacted the country will find itself upon a firm footing."

Bankers, who have been following the work of the commission more closely probably than any other class of citizens, expressed themselves for the most part as heartily in favor of the recommendations.

"I am thoroughly in favor of the report of the commission," asserted J. B. Forgan, president of the First National Bank. "The United States must have some remedy for its present system. We are the only country in the world that has financial panics and we have had half a dozen. The members of the commission have worked for three years on the subject and their report is the most complete and scientific work on the monetary situation ever given out. I anticipate that there will be opposition—there are always cranks and fools who are willing to shout out against anything, but when the report is studied the 'man in the street' will find that he has been making a fool of himself by his uproar."

"The principles of the bill, if enacted into law, will work out for the benefit of the entire country," said Byron L. Smith, president of the Northern Trust Company. "I am heartily in favor of all the recommendations as expressed in the report of the monetary commission. It is much for the interest of the public that an effort be made to understand what is being attempted by the reforms and what the changes mean. If this is done and the public allows itself to be educated on the subject or makes an honest attempt to study

the matter, the result will be of great benefit."

"I endorse the report of the commission unqualifiedly," said Ralph Van Vechten, vice-president of the Continental and Commercial National Bank. "I suppose there will be minor changes made during the discussions in congress when the bill comes up, but the fundamental principles of the measure are sound and will be of value to this country that cannot be placed in figures.

"The recommendations, if followed out and enacted into a law, will prevent the possibility of recurrence of financial disasters such as we had in 1907 and before that. The bill should be passed at once so credit will be on a firm basis before the coming business revival. With our present banking system with its lack of flexibility there is always a danger of a strain of credit where the country is doing a large volume of business. The passage of the bill always would operate to prevent this danger.

"I think nearly all the bankers in the country are as heartily in favor of the report as I am, and the general public, too, when it understands the provisions, also will see that it is absolutely necessary that something be done along the lines suggested."

"The adoption of the recommendations of the monetary commission is the most necessary thing for the country to-day," said Frederick H. Rawson, president of the Union Trust Company. "It is absolutely necessary that the finances of the country be put on a firm basis. There is nothing new or startling in the report—it merely is bringing into play a system in use in every country in the world, except the United States and China. Even Japan has adopted a system along the same lines.

"I expect that there will be a fight made on the plan—that has already started. But in my opinion, the critics of the measure will stop as soon as they study it.

"The suspicion that the bill is prepared to give Wall Street more power is unfounded. It is a great bill, carefully worked out, and will be hailed with delight by the business men when they understand it.

"The greatest feature will be the reserve question, which will enable a business man to know that, when he is promised a loan by a bank, he will get it, and that he will not be confronted by some sudden flurry or panic that will force him to the wall when the bank is unable to grant the promised loan.

"Our business is done on credit, and the business man should stand for anything that makes our system more stable and firm."

"The fundamental principles outlined in the report of the commission are sound and good," was the comment of H. A. Wheeler, vice-president of the Union Trust Company, "but I cannot say what my ideas are until I have seen the bill itself. Everyone will agree that the form of organization outlined is the best possible and something that the business of the country needs, but whether or not the details can be worked out remains to be seen. I think that before anything final is done the

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bankers will have to make a practical test of some of the suggestions of the reforms. But basically, the organization presents the best and most feasible plan for the establishment of a sound monetary system."

That the business men of the country will stand behind the report almost as a unit is the opinion of John G. Shedd, president of Marshall Field and Company.

"I think that when the public understands the full scope of the recommendations of the national monetary commission," he said, "it will find that the commission has done the country a great favor. A hasty reading of the report indicates its recommendations are even more exhaustive than was anticipated. It would seem that if they are enacted into a law they will place the United States in the foremost rank as a stable money power. All have a common interest in this measure and it should be studied carefully and digested. I hope congress will disregard all political pressure and act as far as possible along the general lines laid down in the report. All interests, large and small, will be benefited by the reforms suggested."

BANKING COMMISSION

Frankfort, Ky., January 9.—One of the most important measures that will come before the legislature is the passage of a measure creating a banking commission. That it is needed is no longer debated, for the work of Secretary of State Bruner with bank examinations demonstrated its need. Bruner in retiring from office has prepared a statement covering the banks and trust companies in Kentucky. He says:

"When it was first decided in this department to put into effect the present system of state bank examination it seemed to the casual observer that, while the idea might be a good one, it would be almost impossible to successfully put the plan into execution. Time, experience and many hours of work, and I might say worry, have proved that the consummation of the plan has been far more successful than the most optimistic would have dared anticipate. With four men almost constantly in the field, with the aid of the force in the office, the department has been enabled to make over 700 examinations—that is, every one of the more than 500 institutions have been examined once and a number of them the second time, while there have been 66 institutions closed during my term of office and about 30 new charters have been granted, so that there are to-day doing business in Kentucky 473 state banking institutions, 14 of these being trust companies and 33 being combined bank and trust companies. These 473 institutions have a combined capital and surplus of \$27,000,000, with deposits of \$70,000,000, and total assets of \$104,000,000."

Bloomer, Wis.—William Larson, the manager of the Farmers Store here, and his associates are planning the formation of a new bank for the village.

MISS TARBELL ON THE TARIFF

Ida M. Tarbell, whose able account of "The Tariff in Our Times" is likely to play a part in the coming presidential campaign, is best known for her "History of the Standard Oil Company," which is accepted by the public as a reference book on that subject, and her admirable "Life of Abraham Lincoln." She is also the author of a "Short Life of Napoleon Bonaparte" and a "Life of Madame Roland." For some years Miss Tarbell has been associate editor of the American Magazine and has written numerous magazine articles and short stories. She is a member of many professional clubs and societies and resides in New York. The Macmillan Company publishes "The Tariff in Our Times."

With the same clear brain and tireless industry that made her "History of the Standard Oil Company" a memorable book, Miss Tarbell has paid her respects to the evils of excessive tariff duties in her new volume, "The Tariff in Our Times." It is impossible, says Edwin L. Shuman, in the Record-Herald, to read this book and not feel the cumulative power of its patient massing of facts and figures. It is not a free trade argument, whatever the stand-patters may say; so far as it argues at all, it is an argument for honest and reasonable protection, such as Senator Dooliver fought for, as against the monopolistic duties that have fastened the burden of high prices on the whole nation for the benefit of a favored few.

Primarily Miss Tarbell's book is a narrative history of the tariff for the last fifty years—from the Morrill bill of 1860 to the Payne-Aldrich tariff of 1909. The most important schedules, their secret history and their effects

upon industry and prices are analyzed with a steady hand and a flashing intellect. It makes a fascinating story that every man in the country ought to read.

Miss Tarbell holds that the tariff never has been in accord with public opinion. The people, she says, have always been betrayed by the politicians under pressure of the lobbyists at Washington. She reminds us that the high tariff was originally a war tax, laid on the people in the '60s, with the understanding that it was to be removed after the war was over. Her charge is that it has been maintained ever since through a series of broken party pledges as numerous as the bills enacted.

The immediate bearing of the tariff upon high prices is traced through many pages of lively present interest. It is shown in various ways that the benefits of the tariff do not go to the wage-earners. A government investigation in 1906 showed that in 4,000 factories employing 334,000 persons the wages had increased 19.1 per cent in ten years, while the cost of living had increased 35 per cent. At a time when the people of this country were paying \$30,000,000 a year more for shoes than they would have had to pay without the tariff, the Hide and Leather Journal declared that the beef trust was paying \$12.50 apiece for cows and selling the hides alone for \$9 apiece. It was this, with similar facts, Miss Tarbell says, that finally forced the duty off hides in the Payne-Aldrich bill—"after a fight of the most unusual character."

In this manner all the chief abuses of high tariff are discussed with a special view to their effect on the consumer. The true policy of protection, which Miss Tarbell uses as the standard of judgment on men and measures, is this: That the duty laid upon an American product shall be just high enough to compensate the manufacturer for the higher wages of American workmen (our wages were higher than those of Europe before we ever had a protective tariff), so that he could compete on even terms with foreign factories, thus still leaving the consumer to enjoy a healthy competitive market. Everything above this tends toward monopoly and becomes a subsidy for the manufacturer. It is this extra and unrighteous tax—over and above protection—at which Miss Tarbell hurls her impressive array of facts and figures.

The wool schedule makes an especially bad showing under the author's hands. The fact that we pay twice as much as English people for woolen garments, and that poor people can no longer afford any but inferior cotton imitations of wool, moves her to indignation. The chapter on "Where Every Penny Counts" is a stirring revelation of the cruelty of this burden on the working girl and on the man who is trying to raise a family on a small income. One finds this comment on Mr. Taft:

"It was the spirit of tariff reform, the zeal for honest schedules, the determination that discriminations should be done away with, indignation at the wretched and shameless alliances back of the bills, that it was for Mr. Taft to feel and foster. But it is evident that

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he did not feel these things, and so could not foster them. He had an opportunity to lead in a great moral awakening on the most serious matter since the days of slavery. He did not understand the issue. He merely saw the chance of doing some tinkering, which he did manfully and effectively."

The history of each of the tariff bills is told in detail—the mongrel bill of 1883, the attempt at reform under Cleveland, the Mills and Allison bills, the McKinley bill, the Wilson and Dingley bills and the inside history of the Payne-Aldrich bill, with an extra chapter on Rhode Island as an example of what high tariff accomplishes when it has its own way. In spite of the millions of tribute which the country pays annually to protect the woolen and cotton mills of Rhode Island, the operatives barely get a living, and get it under conditions which force wives and children into the factory to sustain life. Miss Tarbell says:

"The tax we pay on textiles never gets beyond the stockholders, who in Rhode Island are usually a family that for generations have run their mills and absorbed the profits. Not only has the average factory owner absorbed the lion's share of the profits, but he set his face like flint against spending a cent of the protection he enjoys in humane efforts to make the industry more tolerable. This man, who periodically appears as a suppliant before congress, praying for a continuation of benefits which cost this whole people dearly, will not, unless driven to it by law and outraged public opinion, protect even the children who work in his mills."

Indeed, the closing and most significant charge against the whole system of exorbitant duties is—not that it has destroyed the ship building industry, not that it has legislated money from the pockets of the many into those of the few, but that it has debauched our politics and corrupted the morals of the nation. "The history of protection in this country is one long story of injured manhood."

No one with an honest desire of social ser-

vice can read Miss Tarbell's book and deny the force and honesty of her reasoning. Her book is a veritable arsenal of sound information of the sort that the insurgent republican movement most needs. It is a new and brilliant proof that Miss Tarbell has brains of unusual quality as well as a heart and a social conscience.

ART OF RAISING MORE CAPITAL

Several years ago a Chicago corporation, capitalized for \$500,000.00, found it necessary to issue additional capital stock to redeem an outstanding bond issue and reduce its line of commercial paper.

The redemption of the bonds was necessary in six months and all the bills payable that could be marketed were outstanding. The business was growing and needed more working capital.

The issuance of new stock to take the place of these liabilities would enable the company to enjoy a large line of credit with banks when it required future accommodation.

The raising of \$500,000.00 from the sale of stock is no small undertaking and the expense connected with it amounts usually to a considerable sum. Several conservative brokerage firms stated the cost would not be less than \$25,000.00 and newspaper publicity would be necessary to dispose of the stock.

This expense was considered too great, and it was feared publicity might tend to impair the corporation's credit. A better method had to be evolved to attain the desired result. The Everett Audit Company was consulted and a plan formulated.

An Everett financial prospectus of the business was prepared with the necessary data arranged in an intelligent and suitable form

that makes a proposition to be financial attractive to investors.

The prospectus included a statement of the business in a complete, concise and self-explanatory manner, including the vital points pertaining to the financial as well as the legal details.

Compiled from the innvestors' standpoint, the prospectus contained the actual facts as far as could be determined from the records and other data obtainable, conservative in predicting future business possibilities.

The prospectus made possible the success of marketing the stock. The president of the corporation was able to gain the confidence and interest of men with money, because he had the facts of a meritorious proposition, that could not be refuted.

The new shares of stock were sold at par and no publicity attended it. The expense was comparatively small when you consider that ten copies of the Everett prospectus cost \$1,600.00.

After allowing liberally for the time of the executive and his expense to New York, it was estimated the cost attending the raising of \$500,000.00 was approximately \$2,500.00.

FAREWELL DINNER FOR PERRIN

Indianapolis.—A number of University Club friends of John Perrin, who has long been a prominent member of the club, gave a dinner in his honor at the club last Saturday evening. Mr. Perrin was formerly president of the American National Bank, and later when that institution consolidated with the Fletcher National Bank was chairman of the board of directors of the Fletcher-American National Bank. He is going to California to live, but will retain an interest in the bank. Dr. Carleton B. McCulloch was toastmaster at the dinner, and a number of talks were given by prominent men in praise of Mr. Perrin as a citizen. Men formerly associated with Mr. Perrin in the banking business will give him a dinner at the German House before his departure.

American Telephone & Telegraph Co.

A dividend of Two Dollars per share will be paid on Monday, January 15, 1912, to stockholders of record at the close of business on Saturday, December 30, 1911.

WILLIAM R. DRIVER, Treasurer.

THE FARMERS' AND MECHANICS' NATIONAL BANK

OF PHILADELPHIA, PA.
427 CHESTNUT STREET

Capital - - - \$2,000,000.00
Surplus and Profits 1,452,000.00
ORGANIZED JANUARY 17, 1807
Dividends Paid - \$13,197,000.00

OFFICERS

Howard W. Lewis, President
Henry B. Bartow, Cashier John Mason, Transfer Officer
Oscar E. Weiss, Assistant Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS, 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. Corner La Salle and Washington Streets

Capital - - - \$1,500,000
Surplus and profits (earned) 1,922,000
Deposits over - - - 24,000,000

OFFICERS

L. A. GODDARD, President FRANK I. PACKARD, Asst. Cashier
JOHN R. LINDGREN, Vice-President C. EDWARD CARLSON, Asst. Cashier
HENRY A. HAUGAN, Vice-President SAMUEL E. KNECHT, Secretary
HENRY S. HENSCHEN, Cashier WILLIAM C. MILLER, Asst. Secretary

YOUR CHICAGO BUSINESS RESPECTFULLY INVITED



IF YOU HAVE NO CORRESPONDENT

IN CINCINNATI

We will welcome the opportunity of proving to you the benefits which will accrue from forming a connection with us



Big Pittsburgh Clearing House Banks File Protest

Last week THE CHICAGO BANKER had mention of a protest signed by three big Pittsburgh banks against certain acts of the Pittsburgh Clearing House, even to the filing of proceedings in court. Banks all over the country have written in to know the details, which are herewith furnished.

To test an alleged "combination" in the clearing house which it is claimed by the complainants passed an amendment to its constitution last December and made a new rule prescribing regulations which they opposed, a bill has been filed in common pleas court by three of the largest banks in Pittsburgh. They ask a preliminary injunction to prevent the carrying out of the rule passed under this amendment, and ask also that the amendment under dispute be declared null and void. The plaintiffs are the Farmers Deposit National Bank, the Mellon National Bank and the Lincoln National Bank; the defendants are the 17 other institutions comprising the clearing house association and the association itself.

The action, outside of its technical feature, is unique, according to President Robert Wardrop of the association and several other bankers. This is the first action of its kind since the organization of the clearing house association, and while more or less of a friendly nature, is creating widespread interest among local financiers. Members of the association declare that in their opinion the chief question at issue is to determine through court action the power of that body to create rules governing the interchange agreements of the banks.

Combination Alleged

The plaintiffs charge that the defendants have combined to deprive the banks, both members and non-members of the clearing

house, of their right of individual action in respect of the conduct and management of their affairs, and to require all banking institutions in the city to conduct their affairs only in accordance with regulations prescribed and directions given by the defendants, or a committee or committees acting under the authority of the clearing house association.

The means of promoting this "illegal combination and conspiracy," which was opposed by the defendants, were worked out, it is alleged, after a meeting had been held with bank representatives of Cleveland, Columbus, Louisville and Cincinnati to organize a combination whereby all the banks in these cities would be required to make uniform charges, pay uniform rates of interest on balances and regulate other details of similar nature in the conduct of the banks. Subsequently, after it had been set forth that it is the custom of banks in central reserve cities to make time deductions from interest balances for items in transit and that similar rules had been adopted by the clearing house association of such cities as Philadelphia, Cincinnati, Cleveland, and other cities would adopt them when the Pittsburgh association took similar action, a resolution was offered carrying this rule:

"In computing interest on balances of banks, bankers and trust companies, and other banking institutions, time deductions should be made on such local items as are not available for the day's clearings, and for all items while in transit." This carried with it a schedule of minimum deductions and penalties for violations.

Protest Against Rule

The plaintiffs declare they protested against this rule, but it was declared adopted by the

votes of the defendants, but did not go into effect because it was discovered that under the association's constitution it was unauthorized and illegal. To make this rule binding, it is then alleged, an amendment to the constitution was declared passed through an irregular process, and it is charged in addition that the defendants propose to compel the complainants, "under penalty of expulsion from the clearing house association, to submit and abide by the rules and regulations which may be prescribed in pursuance of said amendment." The principal item in the plaintiffs' bill of complaint follows:

And your orators aver and charge that it is the purpose of the said principal defendants by the combination and scheme aforesaid, and acting under the cloak of the clearing house association, by means of the amendment to its constitution, to fix and prescribe not only the period during which interest may be paid to customers on deposits consisting of drafts, checks, bills of exchange and other items which are required to be collected in other places, but also to fix and prescribe the rates of interest to be paid by banks upon the moneys deposited with them by their customers, to fix minimum rates to be charged for collections, and other services, and generally to regulate and supervise the management and affairs of the individual banks in such way as said principal defendants shall deem for their individual advantage and of benefit to themselves, without regard to the advantage, rights or welfare of your orators and the other banks required to submit to and abide by such regulations, instructions, directions and supervision; and they propose and intend by coercion to compel all of the banks doing business in the community to conform to the regulations, instruc-

WILLIAM J. BURNS, President. Formerly U. S. Secret Service. Late San Francisco, Cal., Graft Prosecution

RAYMOND J. BURNS, Secretary and Treasurer

The William J. Burns National Detective Agency, Inc.

Representing American Bankers Association

GENERAL DETECTIVE WORK OF A HIGH CLASS GUARANTEED

WE SUCCEED WHERE OTHERS FAIL

We make the same rate for Bankers' private work as that charged the American Bankers Association

NEW YORK, 21 Park Row

CHICAGO, 811 to 815 First National Bank Building. Telephones, Randolph 4927-4928

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PittsburgMinneapolis
CincinnatiPortland
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Los AngelesNew Orleans
St. LouisDenver
Oklahoma CityBoston
Detroit

NATIONAL BANK OF COMMERCE IN NEW YORK

is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over

\$40,000,000.00



tions, directions so given, and the supervision prescribed, by the imposition of penalties for failure to observe such regulations, instructions and directions, or to submit to such supervision, and, especially in the case of non-members of the clearing house association, by depriving them of the privileges of the clearing house, and in the case of members by expelling them from the clearing house, thereby depriving them not only of their interest and rights in the property of the association, but, what is of far more importance, the right of making their exchanges through the medium of the clearing house association as heretofore.

Charges Summed Up

They then charge that the combination is illegal; that the amendment is void; that interstate trade is involved and, therefore, in violation of the Sherman anti-trust law; that the original aims and purposes of the association have been overstepped; that the individual business relations of the complaining banks are being regulated against their wish; that the votes under which these rules were declared in effect were not authorized by the various boards of directors, and that the action does not represent the true majority of the banks in the community represented directly or indirectly in the clearing house.

In support of this last charge, it is shown that, although there are but 20 members in the clearing house, there are in all 138 banks, including state banks and trust companies, that do business through the association. Thus it is claimed that there is an attempt to control the business of 138 banks through the two-thirds vote of 20 members composing the clearing house association. The plaintiffs are represented by Reed, Smith, Shaw & Beal.

BANK DOUBLES CAPITAL

Los Angeles, Cal.—The change of name of the Security Saving Bank to the Security Saving Bank and Trust Company, which order was made by Judge Hutton in the superior court Thursday, was followed Saturday by the recording in the county clerk's office of a certificate showing that the stock of the institution has been increased from \$1,000,000 to \$2,000,000. The increase is in compliance with a resolution adopted by the directors September 19th.

TO DIRECT POSTAL SAVINGS

Theodore L. Weed, chief clerk of the post-office department and Postmaster-General Hitchcock's principal executive assistant, has been appointed director of the postal savings system at a salary of \$5,000 a year.

NOVEL BY LEADING CHICAGO LAWYER

"The Shadow Men," by Donald Richberg, a prominent member of the Chicago bar, is a novel dealing with the crimes of corporate greed. The book contains a severe arraignment of that class of individuals who seek to escape the penalty of their misdeeds by offering up an innocent victim on the sacrificial altar of the temple of justice. It is a struggle of a scapegoat to escape an apparent destiny, inspired by his love for a woman and aided by a loyal friend. Though dealing with a subject against which public opinion is pretty clearly defined, the novel is far from mere sensationalism. It is written in a vigorous and lucid style; the characters are interesting and natural, exhibiting due appreciation of the seriousness of life with all its responsibilities. The plot is very well balanced, and shows a seriousness of artistic as well as ethical purpose. This is a book which ought to appeal very strongly to the public on account of its being different from the light fiction of the day, and on account of the interesting and forceful manner in which the author has told his story.

("The Shadow Men," by Donald Richberg. Forbes & Co., Chicago, \$1.25.)

The Harrisburg (S. D.) State Bank has been reorganized, and the capital increased to \$25,000. The following are officers: President, W. H. Wasum; vice-president, M. A. Wasum, and cashier, G. D. Searles.

HIGHLAND (ILL.) HAS NO USE FOR POSTAL SAVINGS

Postmaster John A. Leu of Highland, Ill., has found it easy to take care of the postal bank of his office since the only depositor, Avery Carp, has withdrawn his \$1. Indications are that no more deposits will be made. Although the bank is four months old Carp has been the only person to show any inclination to take advantage of the depository. He waited until after the bank was open a month and residents referred to it as a joke before his account was opened.

It seems the city in general has no use for the bank. After Carp made his deposit Postmaster Leu looked around for some bank as a depository. The three banks of Highland refused to accept the money. Conditions were reported to the officials at Washington, and Postmaster Leu was directed to forward the money to a Collinsville bank. While the postmaster was preparing to send the money away Carp entered the office and made a request to withdraw his savings.

Now the debit and credit sales of the ledger balance with three ciphers on each side.

OREGON BANK DEPOSITS LARGE

Deposits in the banks in the state of Oregon totaled \$121,834,644, according to the last statement issued by Superintendent of Banks Wright, the report representing the condition of banks at the close of business December 5th. This report is compared with the report for November 10, 1910, when the deposits amounted to \$119,056,963, or an increase of \$2,777,681. The total amount of deposits for postal savings banks is \$249,217. The deposits due the state treasurer show a decrease from \$401,272 to \$370,000. Loans and discounts show an increase from \$75,886,961 to \$79,623,461. Overdrafts show a decrease of \$509,072, and securities an increase of \$446,921. The number of banks in the state have increased from 232 to 250. The number of state banks have increased from 155 to 169 and of national banks from 77 to 81, or a total increase of 18 banks.

FOUR BANKS MERGED

Jackson, Ky.—The four banks of Jackson will be consolidated into one national bank, to be known as the First National Bank of Jackson. The capital will be \$100,000 and a trust company will be operated with a capital of \$50,000. The banks are the First National, Jackson Deposit Bank, the Breathitt County Bank and the Hargis Commercial Bank.

GRAHAM & SONS

Bankers

Steamship & Insurance Agents

Established 1857

Interest on Deposits—Accounts solicited
Money to Loan on Real Estate

Open Evenings—Hours 9 a. m. to 9 p. m.

661 WEST MADISON STREET, CHICAGO



ESTABLISHED 1902

CHICAGO SAVINGS BANK AND TRUST CO.

STATE AND MADISON STS. CHICAGO.

With the individual requirements of our correspondents constantly in mind, and with facilities most complete for attending to any financial affairs, the Chicago Savings Bank and Trust Company renders a service to banks and bankers that is unexcelled for efficiency.

LUCIUS TETER, President EDWARD P. BAILEY, Vice-President JOHN A. McCORMICK, Vice-President	OFFICERS WM. M. RICHARDS, Asst. Cashier EDWARD J. PRESCOTT, Secretary	JOHN C. ARMSTRONG, Asst. Secretary F. O. BIRNEY, Asst. Secretary WILLIAM T. ANDERSON, Auditor
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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

The report of the Illinois Traction System, or better known as the McKinley syndicate, states the fact that 50,000,000 passengers were carried by the lines during the past year. Of this number 10,000,000 were carried by the interurban lines and 40,000,000 by the city lines in the various cities where the McKinley interests own and operate the local street car lines, as in Bloomington, Peoria, Springfield, Decatur, Champaign, Danville, and other Illinois cities. 220,155 passenger cars and 21,765 freight cars were operated during the year. There are sixty-five cities and towns in the state served by the system, over one million people are tributary to the lines and 460 miles of track reach 100 stations. About twenty of these towns and cities have population of 4,000 and upwards.

The Illinois Traction System is rapidly pushing its service, operating parlor cars, sleepers, diners, and freight trains, building grain elevators along the lines and having traffic relations with the Rock Island at Peoria, and with the Chicago & Eastern Illinois at Glover and Danville. The United States Express Company operates over the road, while the mails are also carried. The freight terminals in St. Louis as well as those planned for Springfield and other cities are colossal in their size and appointment. A new direct line from Bloomington to Champaign is expected this coming summer.

The Illinois Traction System is a friend of the local banks along its lines and accounts are kept with one or more banks in each locality. The Trevett-Mattis Banking Company of Champaign is the principal Illinois depository of the company, although substantial accounts are placed with banks in Peoria, Springfield, Decatur, Bloomington, Danville, and other points. Local agents along the lines transact their business through local banks.

J. S. McFerren

The First National Bank of Hoopston, with deposits of \$464,465, at the time of the last call, has enjoyed a continuous growth since its incorporation in 1872. J. S. McFerren has been the president of this bank since he was a young man, being called in the middle seventies the "boy banker" of Hoopston. Rapid increase in the value of real estate and fortunate investments have made the interests

of Mr. McFerren very valuable, and he is today one of the wealthy men of Eastern Illinois. His interests in the canning industries of Hoopston are large and his home city is known everywhere as the canning center of Illinois. Mr. McFerren has been as conservative and safe as he has been successful, and the First National of Hoopston has a most enviable reputation for sound banking. E. C. Griffith has been the cashier for a quarter of a century, and is also a director. William McFerren is vice-president and J. A. Webster and J. E. Whitman are assistant cashiers. The directors are J. S. McFerren, Lottie McFerren, William McFerren, E. C. Griffith, and A. H. Trego.

Negro Shows Remarkable Thrift

Bankers are preaching the gospel of thrift in these latter days and the life history of the late George W. Smith of Champaign county furnishes abundant proof of conservative financial management among negroes. Born in slavery, G. W. Smith died in possession of 440 acres of as good corn land as there is in Central Illinois, and all of it was paid for except eighty acres, for which debt the will provides payment. Smith was born a slave in Tennessee in 1836 and joined the Union army in 1862. He acted as a guide to General John A. Logan. After the war he engaged in farming and accumulated property. He gave his children college educations.

Smith was highly esteemed among his neighbors. A few years ago when Governor Deneen was making an automobile tour of

Champaign county the executive met the negro farmer personally. Smith was one of the largest negro land holders in the northern states.

Illinois Notes

A postal savings bank will be opened at McLeansboro, January 17, 1912.

The officers of the Paxton State Bank, which succeeded the Paxton Bank January 2d, which change has been mentioned before in THE CHICAGO BANKER, are as follows: William J. Lateer, president; W. D. Rankin, vice-president; O. J. Egnell, cashier, and N. V. Lateer, assistant cashier. The directors will be as follows: W. A. Rankin, W. D. Rankin, W. J. Lateer, N. V. Lateer, M. L. McQuiston, and O. J. Egnell. President Lateer of this new state bank has a host of friends among the bankers of Illinois.

Governor Deneen has appointed Alexander L. Metzel, vice-president of the Union National of Elgin, and Jason C. Ayers, president of the Dixon National, members of the northern Illinois school board which has supervision over the state normal school at DeKalb. L. A. Goddard, president of the State Bank of Chicago, is also a member of this board.

The Farmers First State Bank of Sadorus suffered a heavy fire loss Monday night, January 8th. R. E. Cathcart is the teacher.

F. E. FARRELL	Established 1864	E. E. CRABTREE
F. G. FARRELL & COMPANY, Bankers		
Successors to First National Bank		
JACKSONVILLE, ILL.		
ACCOUNTS AND COLLECTIONS SOLICITED		

GUARDIAN TRUST COMPANY OF NEW YORK	CAPITAL & SURPLUS \$1,000,000 Pays a rate of interest consistent with good banking
---	--

Hathaway, Smith, Folds & Company	
Commercial Paper	
137 South La Salle Street	Chicago
Correspondence Invited	

MOLINE ILLINOIS	Peoples Savings Bank & Trust Co. Capital and Surplus \$394,000.00 Deposits over \$3,200,000.00 Solicits Accounts and Collections from Banks, Firms and Individuals on Favorable Terms	MOLINE ILLINOIS
WM. BUTTERWORTH, Pres.	NELSON H. GREENE, Vice-Pres. and Cash.	R. C. SHALLBERG, Asst. Cash.

Fidelity and Forgery BONDS

Burglary Insurance

National Surety Company

ILLINOIS ADVISORY BOARD

Charles G. Dawes, Resident Vice-President	John A. Spoor, David R. Forgan, Resident Directors	
A. J. Earling	John S. Runnells	Walter H. Wilson
		S. M. Felton
		George M. Reynolds

Joyce & Company
(Incorporated)

General Agents

The Rookery Chicago



Irving National Exchange Bank

Annual Report to Stockholders

TO OUR STOCKHOLDERS:

For the year 1911 our net earnings were \$386,554.55
From which we have deducted premiums and other items..... 17,014.07
Leaving Balance..... \$369,540.48
Dividends Paid..... 160,000.00
Credited to Undivided Profits..... \$209,540.48

Our guarantee account not included in our active assets is valued at \$40,000.

For the last four years, as many of our shareholders are aware, your board has faithfully studied the problem of providing adequate quarters for our increasing business, and, after considering a number of propositions, finally welcomed and accepted an offer from one of our Directors and large stockholders, Mr. F. W. Woolworth, which provides for the rental by the Bank of ample space in the mammoth fifty-five story Woolworth Building, which is now being erected five blocks from our present location on the entire Broadway front of the block opposite the Post-Office, extending from Barclay Street to Park Place.

The Building and Banking Room will not be completed for about one year, but your Officers are greatly pleased at the prospect of being able to provide many conveniences and facilities for our patrons not available in our present quarters, and, at the same time, welcome the opportunity to further develop that close personal relationship we have always desired with our customers, whether their business be large or small.

The affairs of the Bank have been carefully supervised by your Directors whose Examining Committee has been assisted in its duties by Messrs. Marwick, Mitchell, Peat & Company.

Yours very truly,

LEWIS E. PIERSON, President

Marwick, Mitchell, Peat & Co.

CHARTERED ACCOUNTANTS

Bank Audit Department

NEW YORK, December 29, 1911

Messrs. T. F. Whitmarsh, Chairman
Gustav Vintschger
M. M. Belding, Jr.
G. H. Milliken
D. P. Morse

Examination Committee

Irving National Exchange Bank

New York City

Dear Sirs:

In accordance with your instructions, we have made an examination of the Irving National Exchange Bank at the close of business on December 19, 1911, and we certify that the attached statement gives a full and true presentation of the Resources and Liabilities of the Bank as at that date.

Yours truly,

Marwick, Mitchell, Peat & Co.

Statement Condition, Close Dec. 19th, 1911

ASSETS

IMMEDIATELY AVAILABLE

Cash in Vault and
Checks for Clearings. \$ 8,122,003.05
Due from Correspond-
ents and Demand
Loans..... 6,791,165.78
\$14,913,168.83

AVAILABLE WITHIN 30 DAYS

Loans Due in 30 Days... \$ 4,118,934.50
United States Bonds... 1,720,283.27
Other Bonds and Invest-
ments..... 1,908,876.74
\$7,748,094.51

OTHER LOANS AND DISCOUNTS

Due within 4 Months... \$ 8,836,445.35
Due after 4 Months 2,631,187.48
\$11,467,632.83
\$34,128,896.17

LIABILITIES

Capital \$ 2,000,000.00
Surplus and Profits..... 1,994,478.63
Circulation 792,400.00
Deposits 29,342,017.54
\$34,128,896.17

THIRTEEN YEARS' GROWTH

Date	Capital	Surplus and Profits	Deposits	Assets
Dec. 31, 1898	\$ 300,000	\$ 53,400	\$ 2,045,400	\$ 2,651,700
Dec. 30, 1911	2,000,000	2,007,500	31,172,200	36,154,900

OFFICERS

LEWIS E. PIERSON, President

ROLLIN P. GRANT, Vice-President

HARRY E. WARD, Cashier

RICHARD J. FAUST, Jr., Asst. Cashier

BENJ. F. WERNER, Vice-President

J. FRANKLIN BOUKER, Asst. Cashier

JAMES E. NICHOLS, Vice-President

DAVID H. G. PENNY, Asst. Cashier

West Broadway and Chambers Street

NEW YORK

The Wisconsin National Bank OF MILWAUKEE

CAPITAL	-	-	-	\$2,000,000
SURPLUS	-	-	-	1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President

L. G. BOURNIQUE, Cashier
W. L. CHENEY, Asst. Cashier
WALTER KASTEN, Asst. Cashier

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Charles Schriber

Wisconsin Trust Company MILWAUKEE

CAPITAL	-	-	-	\$500,000
SURPLUS	-	-	-	150,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary

GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Charles Schriber
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith



BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

The condition of the banks of the state of Wisconsin is shown in the annual report of Commissioner of Banking A. E. Kuolt, just made public. The report shows that the aggregate resources of the 573 state banks and trust companies of Wisconsin on December 5, 1911, were \$186,003,546.94, a gain of \$13,951,289.97 for the year. The aggregate capital is \$16,591,650, a net gain for the year of \$1,499,000. Twenty-five state banks have increased their capital, the total increase being from \$613,500 to \$1,112,000.

The report further says: "These figures reflect the growth and development of the resources of the state. Such growth, while not rapid, has been constant, and the figures quoted indicate the important rôle played by banks of Wisconsin in the progress of the state. Curiously enough, a comparison of the abstract of reports of the 129 national banks operating in Wisconsin on December 5, 1911, with a similar abstract of the several banking corporations doing business under the state law, shows the volume of business in the two classes to be about equal. The national banks show total resources of \$186,053,594.51 on December 5, 1911, and the same item in state, savings and trust company banks on the same date amounts to \$186,003,546.94.

"The banking institutions under the supervision of this department are, on the whole, in an excellent condition and well worthy of the confidence of the people. For this, credit

is due primarily to the executive officers of the various banks, and to their boards of directors, all of whom have been displaying marked interest in the conduct of their respective institutions, and have been invariably anxious to comply with such requirements as this department deemed it necessary to make."

In another part of his report Commissioner Kuolt makes some interesting remarks about competition in banks. He says: "The number of banks—fifty-six—organized during the last twelve months is out of proportion to the present need of the state. While some of these new banks were needed in new communities, or in places which have outgrown their banking facilities, others, located where such facilities are adequate to the existing business, create needless and unprofitable competition. Untrammelled competition is a menace to the stability of the affected banks. Since it is the intent of bank regulation to strengthen, and unnecessary competition weakens, the need arises of some rule to restrict competition."

Few Changes in Milwaukee Banks

All of the national banks, with one exception, and most of the state banks of Milwaukee held their annual meeting on Tuesday, January 9th. The exception among the national banks is the Wisconsin National, and among the state banks, the Merchants and Manufacturers. These two banks will

hold their meeting January 27th and the Second Ward Savings Bank will hold its meeting next week.

There was no change in the present directorate of the Marshall & Ilsley Bank, except the addition of A. F. Gallun to the board. Herman A. Wagner was elected a director of the Germania National Bank. Aside from these changes all the banks and trust companies re-elected their directors, and where directors met Tuesday the same officers were re-elected.

Albert F. Gallun, who was elected a director of the Marshall & Ilsley Bank, was born in Milwaukee in 1865, the son of A. F. Gallun, founder of the great leather firm of A. F. Gallun & Son. The firm is one of the largest tannery concerns in the country. It is an odd coincidence that nearly sixty years ago Mr. Gallun, senior, deposited his first savings in the bank of which his son has now become a director.

Milwaukee Banks Declare Dividends

Milwaukee banks have all declared the regular dividends at the close of the year, and without exception the dividend rate has remained the same, no dividends having been passed or lowered. This speaks well for the stability of Milwaukee banks and trust companies, inasmuch as the year has been a light one in many mercantile lines.

The bank clearings for the month of December showed a decrease of \$920,000 over



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

OFFICERS AND DIRECTORS

JAMES K. ILSLEY, President

JOHN CAMPBELL, Vice-President
F. X. BODDEN, Assistant Cashier
G. A. RUESS, Mgr. South Side Branch
J. H. TWEEDY, Jr.
GUSTAV RUESS

J. H. PUELICHER, Cashier
H. J. PAINE, Assistant Cashier
S. H. MARSHALL
R. N. McMYNN
C. C. YAWKEY

those of the same period last year, traceable to the fact that wholesale business has been discouraging this year, the wholesale clothing and dry goods business suffering most. Country banks are in excellent condition and farmers throughout the state were never more prosperous.

The prices of bank stocks, which have ruled a shade higher than last year, reflect the conservative management of these institutions. Most of the bank stocks of this city are closely held and none are quoted at lower figures than last year; as a matter of fact, in many cases, there has been no record of transfers for some time.

Vexatious Delays Experienced

Work on the new Marshall & Ilsley Bank building, East Water Street, Milwaukee, has been temporarily suspended during the last few weeks, owing to the extreme difficulty experienced by the contractors in securing from the quarries at Phenix, Mo., some of the stone necessary in the construction of the massive pillars, which form part of the front of the building.

Supporting these columns, which, when completed, weigh approximately 125 tons each, is a solid piece of stone measuring eight feet square. The original block was damaged in transportation to such an extent that it was deemed necessary to replace it, and in the attempt to do this several of these high blocks of stone have been spoiled at the quarry or discarded for other reasons. In every branch of the masonry or steel work used in connection with this building the utmost care has been used and each component part has been subjected to the strictest kind of inspection before final acceptance.

With the arrival of the foundation stone, which is expected almost daily, work upon the new building will be rushed forward to completion at as early a date as possible.

Clinton Bank Increases Capital

At the recent annual meeting of the stockholders of the Citizens Bank of Clinton, Wis., the capital stock was increased from \$25,000 to \$50,000. This additional stock has all been subscribed for, and the full amount has been paid in. Henry A. Moehlenpach, cashier, says that this increase was made necessary on account of the large and increasing amount of business being done by the bank, making it necessary to have more funds in reserve and

a large working capital. The Citizens Bank was established thirty years ago, and during the past eight years its deposits and volume of business transacted have been more than doubled.

A New Departure

The Eau Claire National Bank will issue monthly a general letter on trade conditions throughout the United States and a forecast of the natural trend of important business events for the immediate future. This service is furnished by the bank in the belief that it will naturally assist in the upbuilding of the business in that section.

New Bank Secures Building

The newly organized Farmers State Bank of Waukesha has just purchased a site for their new building at a cost of \$11,000. The site was purchased by President John A. Rodgers. The work of remodeling and installing the vaults and other equipment will be started March 1st. The bank will, if the plans are carried out, be opened for business May 1st. The bank will occupy the front portion of the lower floor.

News Notes of Wisconsin

The Chili State Bank of Chili has been granted a charter. The capital stock will be \$13,000. The incorporators are E. B. Behringer, L. A. Reichert, George A. Ure, and others.

W. O. Newhouse, who six years ago resigned the office of district attorney to become cashier of the First National Bank of Janesville, has resigned from the bank. He will become vice-president of the Gold-Starbank Loan and Credit Company of Minneapolis, and will open a branch office in Janesville.

The charter for the new Farmers State Bank of New London has been issued and the bank will open for business at once. E. C. Jost is cashier.

JERSEYVILLE BANK CHANGES

William F. Shephard, son of Henry A. Shephard, cashier of the State Bank of Jerseyville, Ill., has been appointed assistant cashier of the State Bank to fill the vacancy caused by the death of Thos. Wedding. George W. Campbell, late of the National Bank of Commerce, St. Louis, has been employed as bookkeeper.

KENTUCKY BANKS

The loans, discounts and overdrafts of the 474 banking institutions of Kentucky have increased \$14,000,000 during the last four years. Secretary of State Bruner has given out his final report of 473 state banking institutions at the close of business December 5, 1911. The last report showed but \$62,000,000 loans, discounts and overdrafts, while the present report shows \$69,728,093.91, making a total gain of over \$7,000,000. There is one bank that failed to report the loans, discounts and overdrafts, amounting to \$100,000, so that Bruner's final report should have been over \$70,000,000 if all of the banks had reported.

DETROIT BANK CLEARINGS, 1911

While at the close of 1911 it was believed by many in local banking circles that bank clearings for the year just closed would reach one billion dollars in Detroit, the real figures are somewhat below that estimate. The total for the year just closed was \$968,647,059, as compared to \$910,835,008 for 1910, a gain of \$57,812,051. Only one month of 1911 fell below that of 1910, April showing a decrease of \$747,724. For the month of December, 1911, a total of \$90,891,884 is shown, compared to \$76,780,804 for the same month of 1910.

ALASKA BANKERS PLEAD NOT GUILTY

Juneau, Alaska, January 9.—Clem H. Summers, formerly president of the First National Bank of Juneau, and Stuart G. Holt, formerly cashier of the Juneau bank, entered pleas of not guilty to-day to the indictments returned against them by the federal grand jury last week, charging fraudulent banking. Both men are at liberty under \$5,000 bond. The indictment against the two former bankers contains fifty-six counts.

PRISON FOR MINNESOTA CASHIER

New Ulm, Minn., January 8.—Rollin M. West, former cashier of the State Bank of Cobden, who recently pleaded guilty to the charge of grand larceny in the third degree on one of three indictments accusing him of embezzling \$12,271.04 of the bank's funds, last week was given an indeterminate sentence in the state penitentiary at hard labor.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

JACKSON JOHNSON, Vice-Pres.
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WALKER HILL, President
EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, Mo., January 11.—The past week has developed no change in the local monetary situation worthy of note. A fair demand from local commercial sources exists, but the general market continues quiet, with rates soft. The easing off in commercial paper East has had a rather depressing effect on rates here, and while quotably the range remains unchanged, there are more loans being made toward the minor end. Several of the leading nationals report southern bank loans pretty well paid up, and arrivals of funds from that section have decreased materially. Deposits are holding their own in pretty good shape, all considered, and the position of banks at this point is about as strong as at any time in the history of the city. Clearings are showing up in excellent shape, reflecting fair activity in general business lines. Wholesalers for the most part seem extremely hopeful relative to the outlook, though just at present sales in certain lines are relatively light.

Annual Elections Held

Monday's annual stockholders' meetings developed but few changes in the personnel of directors and officers. The old Missouri-Lincoln Trust Company decided to leave the matter of reorganization to a committee, appointed by President W. F. Carter. This committee will report to the stockholders on March 11th. The appointment of a committee was due to the fact that two reorganization plans were presented, both containing some good points, and it was thought these might be combined and other suggestions incorporated in the committee's report. John S. Blake and C. C. Collins were re-elected directors, and Judge Moses N. Sale was chosen to succeed E. S. Lewis, resigned.

Reinholdt Goes to International

Julius W. Reinholdt, assistant cashier of the National Bank of Commerce, with which institution he has been connected for the past twenty-five years, was chosen vice-president of the International Bank. Mr. Reinholdt will assume the duties of his new office at once. The International Bank also elected nine directors, which number will be later increased to thirteen. The directors elected are: Charles D. Boynton, Otto Cramer, Theodore Hemmelmann, Jr., George A. Held, Edward Horrmann, Hugo H. Koehler, George A. Meyer, J. H. A. Meyer, and E. L. Preetorius.

One Change at Boatmen's Bank

One change was made at the Boatmen's Bank. W. K. Stanard was elected a director to succeed his father, former Governor E. O.

Stanard, the latter being desirous of retiring from all active business affairs. The other directors elected were: Samuel D. Capen, Hanford Crawford, E. M. Hubbard, R. McKittrick Jones, Henry W. Peters, F. E. Sheldon, D. S. H. Smith, William H. Thomson, and Edwards Whitaker.

German Savings and Franklin

The Franklin Bank stockholders elected the following directors: W. R. Colcord, to succeed G. W. Garrels, deceased; Fred W. Drosen, C. H. Dunker, H. W. Kroeger, Henry Meier, Jr., F. W. Reipschlaeger, George T. Riddle, G. Reismeyer, and G. O. Wipern. The German Savings Institution elected directors as follows: William Koenig, Louis Fusz, Charles A. Stockstrom, Otto F. Meister, William C. Uhri, Charles Stoeffregen, Nelson W. McLeod, William J. Lemp, Edwin H. Conrades, H. Hunicke, Fred Opp, H. A. Trorlicht, and E. Barklage.

Big Business Done in 1911

A healthy gain in practically every line of industry in St. Louis is shown by the report of the Missouri State Bureau of Labor and Statistics. The figures given are preliminary, but indicate that big returns on the \$230,000,000 capital invested in the concerns investigated made excellent returns. The number of persons employed shows heavy gains over the preceding year, and the amount of materials used in manufacturing is the largest on record. The total capital invested in 1910 was \$228,773,000, and the total of salaries paid reached \$67,534,000 in that year. A goodly increase in both of these items is shown in 1911. Among the principal industries which will run above \$15,000,000 for the year are boots and shoes, tobacco, printing and binding, packing-houses, malt liquor, groceries, foundries and machine shops, car works, bakeries. As in 1910, the heaviest business was done in boots and shoes.

Our correspondents are pleased with the care we take of their business at the St. Louis National Stock Yards, because it is *thoughtful*, not mechanical.

CORRESPONDENCE INVITED

The National Stock Yards National Bank
National Stock Yards - Illinois

Mortgage and Share Company

St. Louis capitalists have completed the organization of the Mortgage and Share Company, a \$500,000 corporation, the purpose of which is to conduct a general development business in the Southwest. This was the first corporation of any size launched here since the opening of the new year. Sidney Bixby is president, Archer W. Douglas, vice-president and treasurer. A secretary is still to be chosen. The organizers of the company are: W. K. Bixby, August A. Busch, Charles A. Lemp, Alonzo C. Church, H. L. Block, G. H. Walker, W. B. Dean, Jr., J. H. Wear of St. Louis, and Alonzo Potter of New York. It is stated that the company will handle all kinds of general development business, such as public utilities, municipals, water-power development, irrigation and railroads. In addition, it intends to carry a farm-loan business throughout the South and Southwest. The powers of the company are unusually extensive. It is incorporated under the laws of Missouri, but will also incorporate in other states, and the capital will be raised as more funds are required.

Hoenschild Heads Bank

A. S. White, for the past eighteen months president of the Night and Day Bank, has resigned to enter another field, and H. H. Hoenschild was unanimously elected to succeed him. Mr. Hoenschild is an architect, and has designed several of the newer state institutions, including a hospital building at Farmington. He has offices in the Navarre building and resided in Rolla, Mo.

Henry Sexton Chosen President

At its annual election this week, the Citizens Savings and Trust Company of East St. Louis elected the following officers and directors: Henry D. Sexton, president; Henry J. Buerki and W. H. Hauss, vice-presidents; directors, Paul S. Abt, Henry Albrecht, Curtis S. Dodson, Edmond Goedde, H. C. W. Grabe, Charles Hezel, William H. Hill, Doctor A. C. Housh, Martin Martell, Thomas Knoebel, Joseph Nestor and S. D. Sexton.

Missouri-Lincoln Litigation

The end of litigation in which the Missouri-Lincoln Trust Company is involved seems far distant. The most recent suit is that brought by Jacob Erb, who brought an action in the circuit court to prevent the trust company selling bonds of the Nevada Water, Light and Traction Company. A temporary injunction was granted the plaintiff. Erb claims he purchased a gold brick when he got the Nevada properties. In his petition he claims

The Chatham and Phenix National Bank of New York

192 BROADWAY

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AUGUST BELMONT
August Belmont & Co.
AUGUST BELMONT, Jr.
August Belmont & Co.
DANIEL J. CARROLL
President Alberene Stone Co.
WILLIAM B. CONRAD
W. B. Conrad & Co.
P. S. DU PONT
Treas. E. I. Du Pont de Nemours Powder Co.
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GEO. C. WARNER
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SAMUEL WEIL
Samuel Weil & Son
FRANK S. WITHERBEE
President Witherbee, Sherman & Co.
JOSEPH H. WRIGHT
President U. S. Finishing Co.

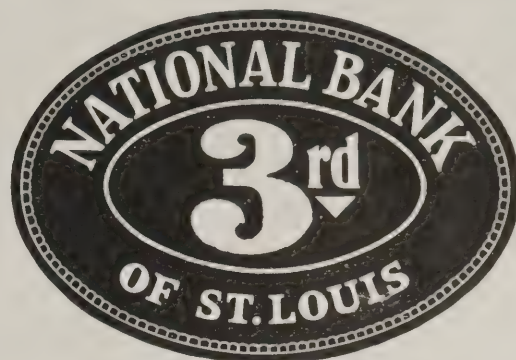
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GEORGE M. HARD, Chairman
FRANK J. HEANEY, Vice-President
WILLIAM H. STRAWN, Vice-President
ALFRED M. BULL, Vice-President

BERT L. HASKINS, Cashier
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NORBORNE P. GATLING, Asst. Cashier
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HENRY C. HOOLEY, Asst. Cashier

Capital and Surplus \$3,000,000.00

We invite the accounts of Banks, Bankers, Manufacturers, Merchants and Individuals



CAPITAL
\$2,000,000

SURPLUS
\$2,000,000

DEPOSITS
\$35,000,000

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G. W. GALBREATH	-	-	Vice-President	R. S. HAWES	-	Vice-President
J. R. COOKE	-	-	Cashier	H. HAILL	-	Assistant Cashier
D'A. P. COOKE	-	-	Assistant Cashier	E. C. STUART	-	Assistant Cashier

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NEW YORK LEIPZIG, GERMANY

Travelers' Checks in denominations of \$10, \$20, \$50 and \$100 || *Letters of Credit* in Pounds Sterling, Dollars, Marks and Francs

Furnished to Banks and Bankers for direct sale to Travelers

INVESTMENT SECURITIES

that it was represented by the Missouri-Lincoln Trust Company, which owned the Nevada utilities, that they were worth \$288,415, and earning \$40,000 a year. He paid \$25,000 cash and gave his note for \$140,000. Then the property was bonded for \$200,000. These bonds were pledged as collateral for the \$140,000 loan. Erb alleges he found the properties to be in an obsolete condition and practically worthless, and the new corporation was unable to earn the \$20,000 annual interest on the bond issue.

Some Southwestern Development

Signs of activity and new enterprise are beginning to appear, especially in the Southwest. The Missouri, Arkansas & Gulf Railroad has executed a mortgage to the St. Louis Union Trust Company, as trustee, to secure an issue of \$1,600,000 of 5 per cent gold bonds for the completion of the company's "Ozark Short Line," from Rolla to Bakersfield, Mo.

Big Beer and Tobacco Production

St. Louis produced 3,591,685 barrels of beer and 5,710,957 barrels of tobacco in 1911. These are the figures of E. B. Allen, collector of internal revenue. The tax collections from these two sources approximate \$81,000,000. The beer tax of \$1 a barrel is imposed only on that which leaves the brewery during the year. Eight cents a pound or \$1 a barrel is the tobacco tax. The collections in 1911 were the largest in the history of Missouri.

Dawson, N. D.—The Farmers and Merchants Bank of Robinson, Kidder county, has been incorporated. Dr. T. R. Pryse of Dawson is one of the head men in the corporation.

PINKERTONS SUE BURNS

Montreal, January 9.—William and Allan Pinkerton, in their personal capacities, are suing (common pleas court of Montreal) William J. Burns, detective and head of the William J. Burns Detective Agency, who exposed the Los Angeles Times dynamiting outrage, for \$50,000 damages arising out of statements said to have been made by Burns. The writ in the suit is in the hands of Mr. Kenneth R. Macpherson, attorney, who will no doubt send it to a sheriff residing in the United States for service. Mr. Macpherson has been unavailable all day.

Note.—The Pinkerton main office is in Chicago, and but three blocks from the Burns main office in the First National Bank building, and Montreal is a long way off, legally and otherwise. Wouldn't it just tickle Honorable Gompers nearly to death to hear that the Pinkertons had "kidnaped" Honorable Burns, à la McNamara, and carried him out of the country? Does union labor take the hint or is it groggy still?

MICHIGAN BANKS

In 1911 there were 24 new state banks organized in Michigan with a total capital of \$765,000, according to a report just issued by Edward H. Doyle, commissioner of banking. In addition 20 banks and trust companies increased their capital.

The report shows that the 416 state banks and trust companies have total resources of \$343,269,424. They have surplus funds of \$13,941,895; undivided profits, less losses, expenses, interest and taxes paid amounting to \$6,150,191, and unpaid dividends amounting to \$17,001. The banks show an increase in ag-

gregate business since the last report of September 1st, of \$9,040,852. Compared, the condition of the banks with that shown in the corresponding report of a year ago, shows a total increase in loans of \$25,694,272, an increase of \$12,623,930, and an increase in savings deposits of \$21,517,863, and a capital stock increase of \$2,873,785. The total reserve maintained by these banks is \$16,931,641 over the amount required by the state banking law to carry to protect their deposits. During the year the department has made 855 examinations of banks.

SEATTLE BANK MERGER

Permission to proceed with the consolidation of the Mercantile Bank and the Citizens National Bank has been received from the comptroller of the currency, and the merger became effective January 2d. The combined business of the two banks will be carried on in the quarters now occupied by the Mercantile Bank at Second Avenue and Marion Street and under the name of the Mercantile National Bank.

ITALIAN BANK'S BRANCHES

The Banca Commerciale Italiana has opened a London office. This gives evidence of the continual expansion of Italian commerce and the consequent necessity for increased banking facilities. Trade between Italy and England is steadily increasing, and is now upwards of £25,000,000 per annum. The bank, whose head office is in Milan, has some 35 branches, besides agents in all parts of the world, and is naturally very closely related with the Argentine and other South American countries.

Editorial Comment

A NEW SAVINGS BANK PLAN

The front-page, Christmas article in the "Star-Independent," of Harrisburg, Pa., was devoted to a description of the paying out by the Union Trust Company of Christmas savings funds to 3,500 people. So many and so eager were those who had patronized the Christmas savings club plan, that rain checks were issued to those who could not be accommodated so that they might return the next day. The sums paid out to individuals ranged from \$12.75 to \$63.75. Andrew S. Patterson, treasurer of the Union Trust Company, was the Santa Claus of the occasion.

The Christmas check is a new idea in banking which has had its origin and growth thus far chiefly in Pennsylvania. The Union Trust is a pioneer in the matter. Two or three years ago it began organizing Christmas savings clubs, a part of the plan being that those who paid in a certain amount weekly for a year would have the privilege of withdrawing the entire sum with interest for shopping purposes at holiday time. The checks issued by the Union Trust Company were special checks decorated in green and red holly leaves and berries. Every merchant in Harrisburg had agreed to cash the checks on presentation at their counters. Some of the depositors represented only a weekly deposit of one, two or five cent pieces. Last year the plan worked admirably and this year it is expected to be something overwhelming.

This plan of saving took on all sorts of diversified forms. In one church one hundred members each started an account and devoted the entire savings to church work. One fraternal organization took out eighty-one membership tickets and devoted the accumulated funds to charity at Christmas time.

The Christmas savings club proper is divided into three classes as follows:

Class 1—By paying 1 cent the first week, 2 cents the second week, 3 cents the third week, 4 cents the fourth week, and so on for fifty weeks, two weeks before Christmas a check will be mailed the depositor for \$12.75, with or without interest as you elect.

Class 2—By paying 2 cents the first week, 4 cents the second week, 6 cents the third week, 8 cents the fourth week, two weeks before Christmas a check will be mailed the depositor for \$25.50, with or without interest as you elect.

Class 5—By paying 5 cents the first week, 10 cents the second week, 15 cents the third week, 20 cents the fourth week, and so on for fifty weeks, two weeks before Christmas a check will be mailed the depositor for \$63.75, with or without interest as you elect.

The order of payments may be reversed if desired. For instance, in Class 5, going up, payments start with 5 cents and end with \$2.50. If it is desired they may start with \$2.50 the first week and pay 5 cents less every week until the last week's payment will be 5 cents, and the same may be done in the other classes.

Mr. Patterson, treasurer of the Union Trust

The Chicago Banker

PUBLISHED EVERY SATURDAY FROM

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SUBSCRIPTION \$5.00—10 CENTS A COPY OF NEWS DEALERS

HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

Company, has organized an association of leading bankers of Pennsylvania to promote the plan. The incorporation is called the "Landis Christmas Savings Club Company," which is the sole owner of the scheme. This company has had printed forms, tickets, envelopes and everything necessary for the operation of the plan.

In the first sixteen weeks after this system had been put into the Union Trust Company of Harrisburg, the savings increased \$140,000. It was absolutely new business from a field which had never been reached by the bankers. It will pay any bank to look into the matter with the purpose of adopting it. Full information will be furnished by Mr. Patterson as above, without any cost or obligation on the part of those who may inquire.



THE NEW MONETARY PLAN

There is little need to retail the history or scope of the new monetary plan which was given to congress this week by the National Monetary Commission. It was discussed at every bankers' meeting for the past two years, from the most humble group or club meeting clear up to the national convention at New Orleans. There the general subject had been subdivided and was presented by the ablest bankers, college men, financiers and writers in the country. Well, finally it has come to congress, and many fear a hostile congress at that. Changes will be made, no doubt, before it gets even a fair start. However, the summary of the report as presented will give to its advocates, in brief, its details as to scope, control and powers. They are:

(1) It will hold the cash reserves of the

banks of the United States, with provisions for their use only for specific purposes.

(2) It will be granted the power to issue circulating notes under strict governmental regulations.

(3) Through the maintenance of its own reserve and the character and extent of its resources, it will be required to sustain the credit of the banks and of the country under all circumstances.

(4) All of its operations will be confined to or will be incidental or collateral to these purposes, the only exception being the transaction of business connected with it as a fiscal agent for the government.

(5) In times of trouble it will take individual banks from a condition of helpless isolation and dependence and place them in a position where their integrity and independence will be assured.

(6) It is outside of and supplemental to the existing system and not a competitor in any sense of the existing banks.

(7) It will provide for an equality of privileges and advantages for all banks, great and small, wherever located.

(8) Its organization will be of a form and character that will effectually prevent control of its operations by political interests, local or national.

(9) Power and control of the association are so distributed as to prevent their exercise by Wall Street or any group of financiers.

(10) Provision is made for the maintenance at all times of the gold standard.

(11) The association will fix its rates of discount from time to time, which, when fixed, will be uniform throughout the United States.

(12) The net earnings of the association, after payment of the dividend, not exceeding 5 per cent, to the shareholders, and the accumulation of a surplus not exceeding 20 per cent of the paid-in capital, must be paid to the government.

If this reform movement is to be enacted into law it will require the co-operative effort of all of its friends from now until the presidential signature is affixed.

EXAMINERS MUST REPORT

The comptroller of the currency has announced that his office has never had any system of either daily or weekly reports from examiners showing the way in which their time is being employed during a given period, and it has not been possible to tell in any case as to the amount of work an examiner had been doing except by checking up the reports of the examinations signed by him. Nor has the comptroller's office been advised at regular intervals as to the place where the examiners are working, and it has been sometimes impossible to reach them even by telegraph for days at a time in urgent cases.

The comptroller proposes to remedy this by requiring a weekly report from every examiner, stating what he has done during the previous week and what he proposes to do during the coming week. In that report every working day must be accounted for, unless the examiner has been relieved from duty by reason of sickness or for vacation purposes.

The comptroller of the currency has issued a charter to the First National Bank of Parlier, Cal., capital \$25,000.

Convention Dates

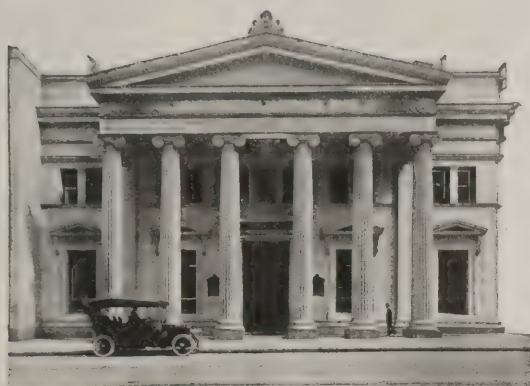
TEXAS—San Antonio, May 7, 8 and 9; Secretary, J. W. Hoopes, Austin.

OKLAHOMA—Tulsa, May 10 and 11; Secretary, W. B. Harrison, Enid.

ALABAMA—Mobile, May 17 and 18; Secretary, McLane Tilton, Jr., Pell City.

KANSAS—Topeka, May.....; Secretary, W. W. Bowman, Topeka

WISCONSIN—Milwaukee, July 24 and 25; Secretary, George D. Bartlett, Milwaukee



The Northwestern National Bank

MINNEAPOLIS, MINNESOTA

Capital and Surplus \$5,000,000.00

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JOSEPH CHAPMAN, JR.	-	-	Vice-President	A. V. OSTROM	-	-	Assistant Cashier
J. A. LATTA	-	-	Vice-President	H. P. NEWCOMB	-	-	Assistant Cashier
FRANK E. HOLTON	-	-	Cashier	WM. KOON	-	-	Assistant Cashier

Difficulties in Taxation of Intangible Property

PART I

No function of government is more important than the imposition of taxes. No power is more essential to the maintenance of any government than the power to secure from its citizens an income sufficient to pay for the things which the legislature has decreed. No task is more difficult than the establishment and administration of a system of taxation which will produce sufficient revenue, and will be fair as between individual citizens and in its relations to different classes of property and privileges. Any discussion of taxation, therefore, goes to the fundamentals of government; a limited discussion of a single phase of the great question of revenue for public purposes must necessarily leave untouched many economic and fiscal considerations which are worthy of the most searching attention.

The purpose of this paper is to treat of what is termed the general property tax, with reference to its relation to cash, credits and securities. We are not now concerned with the taxation of corporate and other franchises, nor with the many devices of the several states to raise revenue by methods other than the taxation of property. According to the twelfth census 75.6 per cent of all revenue raised in this country in 1902 for the purposes of state, county and municipal government was raised by taxes upon property—by the general property tax. Whether this exact per cent holds for the year 1911 is immaterial; it is within bounds to say that three-quarters of the revenue of our state, county and municipal governments is derived from taxes on property. The theory of the general property tax as this term is used by students and writers upon economic and fiscal matters in this country is that all property of every class, which is not by law exempted from taxation shall be taxed at a uniform rate upon its capital value. The general property tax as thus defined is at the present time prescribed by the constitutions of thirty-one states. In the New England states the general property tax was established in colonial times; in the other states upon the Atlantic coast it was adopted not later than immediately after the Revolution; in the younger states this system of taxation is at least as old as statehood.

The general property tax makes no distinction as to assessment upon capital value at a uniform rate between real estate and per-

An able paper by Charles A. Andrews, a tax commissioner for Massachusetts, showing how various states have tried and failed to list and to tax personal holdings

sonal property, or between the two general classes of personal property—tangible and intangible. Neither does it consider the uses to which property is put, nor its productivity, except as such uses and productivity affect its value. Nor does it stop to consider that credits and securities may be only the evidences of ownership in tangible property which as such has been taxed. It seems to be founded upon the belief that it is humanly possible to know equally well the ownership of land, and of cattle, and of merchandise, and of credits and of cash, even though the owners of property may desire to conceal from the tax-gatherer their ownership.

When this system of taxation was established in this country, and for many years thereafter, securities, credits and cash were a comparatively small part of the property of the people. What property there was was largely in the form of real estate, cattle and other domestic animals and merchandise. The ownership of these classes of property was a reasonably just basis upon which to determine a person's ability or duty to support government. The determination of ownership and of value was comparatively easy and thus the general property tax worked fairly well. In the general condemnation of the property tax as a system adequate to present-day conditions, it ought to be remembered that in a simpler organization of society this system has had a distinct value. Its failure has become increasingly evident with the increase of moneyed capital in the form of cash, credits, stocks and bonds. A further fact which has had its effect upon the operation of the general property tax is the increase of public expenditures during the last fifty years. In 1860 property was taxed throughout the United States at an average of \$7.80 per thousand, while in 1902 the rate was \$20.50. In 1860, taxes upon property were at the rate of \$3.00 per capita, and in 1902 this rate had become \$9.22. With the increase of taxation persons became less willing to pay taxes.

Patriotism may be willing in times of peace to give 10 per cent of income to government, but not 40 or 50 per cent. More and more intangible personalty disappeared from the sight of assessors while revenues were increasingly raised by assessments upon property which could not be concealed.

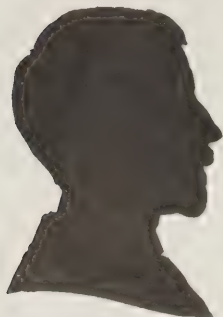
During the last forty years there have been as many as forty commissions appointed in the different states to investigate the workings of tax laws. Almost without exception these commissions have condemned the general property tax, at least in so far as it relates to the taxation of intangible personalty—cash, credits and securities. In 1893 the Special Tax Commission of Ohio said:

The system as it is actually administered results in debauching the moral sense. It is a school of perjury. It sends large amounts of property into hiding. It drives capital in large quantities from the state. Worst of all, it imposes unjust burdens upon various classes in the community. . . . This inequality of taxes weighs most heavily upon those whose thrift and prudence have resulted in affording to themselves or their children a competence. It is evident that this burden rests with peculiar force upon those persons whose scrupulous honesty induces them to make full and complete returns of all their property."

The Ohio Commission of 1908 says:

"The widespread concealment of intangible property, increasing in amount year by year, is the most convincing proof of the failure of the general property tax. It shows that after more than fifty years of experience, with all conceivable methods in the way of inquisitor laws, severe penalties, and criminal statutes, designed to force the owners of moneys and credits, stocks and bonds, to put their holdings upon the tax duplicate, not only is the percentage of such property less than ever before, but public sentiment seems to be more and more openly approving an evasion of the law. Such a condition of affairs is so manifestly wrong and so inimical to good government that its longer continuance is a grave injury to the state."

The 1893 report showed that in 1866 more money was taxed in Ohio than was taxed in 1893, and that in Hamilton county, which included the city of Cincinnati, in 1892 only one-fifth as much money and one-half the amount



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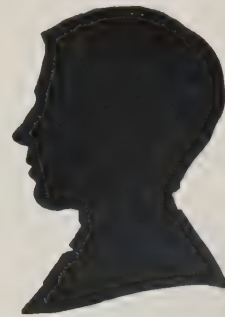
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of credits were taxed as in 1866, despite the fact that the wealth of Ohio had increased very greatly. The 1908 Ohio commission reported that comparing 1906 with 1890 taxed credits were less by \$34,000,000 and stocks and bonds by \$2,575,000.

In its report for 1907 the New York state board of tax commissioners says:

"Our observation and experience teach us that it has become impracticable and is impossible to equitably tax personal property on the same basis as real estate, and such is the conclusion reached by nearly all students of taxation; in fact, the attempt to do so works injustice and inequality."

In 1907 the New Jersey state board of equalization reported:

"The troublesome question of the assessment of personal property seems no nearer a solution than it has been for a long time. It is fair to say that in the main personal property is not taxed in New Jersey. This refers especially to the intangible property."

And again in 1908 the same board:

"The total personal shows a decrease over the past year of \$19,582,005. No one will doubt that the personal estate in New Jersey, when both tangible and intangible personalty are included, is worth very much more than the real estate. While the tangible is hard enough to rate, it is practically impossible to rate the intangible, except by inquisitorial methods that public opinion will not sanction. This condition of affairs is not peculiar to New Jersey. It prevails everywhere that the same system prevails."

A Massachusetts tax commission reporting in 1897, after a most careful and searching investigation, said:

"Consequently, the taxation of this form of property is in a high degree uncertain, irregular and unsatisfactory. It rests mainly on guesswork; it is blind, and therefore unequal. Here is its greatest evil, though not its only evil. It is haphazard in its practical working, and hence demoralizing alike to tax payers and to tax officials."

These reports were made in states of great wealth and of large commercial and manufacturing interests. But the system has failed and has been condemned in states of very different economic condition. The Louisiana special tax commission in 1908 said:

"If other states did or have ever done any better, it might be plausibly contended that our assessors were to blame and that by replacing them with others, equality could be attained. But such is not the case. The universal experience of mankind shows that the tax on this kind of property cannot be collected with fairness and impartiality. Some states have required the taxpayer to answer as many as 100 categorical questions ingeniously framed so as to prevent evasion. Others have employed spies and detectives to search out concealed property of this kind. If anything can be demonstrated by human experi-

ence, the impossibility of reaching such property must be regarded as settled. The opinions of political economists, taxing officials and tax commissions are absolutely unanimous on this question.

"That the evil is in the system itself and not merely in its administration is shown by the fact that Louisiana's experience in this regard is identical with that of the civilized world. It has been tried in every state in the Union. Those whose constitutions permit such a course have abandoned, or are abandoning it. The system is condemned by political economists, writing from a theoretical standpoint; by practical tax officials, speaking from actual experience; and by dozens of select tax commissions, appointed to investigate its workings. Indeed, its failure is shown by testimony overwhelming in quantity, unimpeachable in quality, and so far as we have read, without a dissenting voice."

These reports could be matched with many others in condemnation of the attempt to tax intangible personalty upon its capital value at the high rates prevailing in most parts of the country. But the average intelligent citizen does not need to refer to official reports for evidence that the system works badly. Who has not known of many cases where upon the probate of an estate it appears that thousands of dollars of taxable securities have been long untaxed? Who can not look at the tax statistics of his own city and be appalled at its poverty in personal property—if he believes the figures tell a true story? What reader can examine his own case and give himself a clean bill of health? We all know that when the tax is assessed upon this class of property the tax gatherer takes as his toll

25 or 40 or even fifty per cent of its income. And the American tax payer does not call this taxation.

By some it has been contended that failure to tax intangibles is largely a matter of administration: that with adequate administrative machinery the law can be enforced, and that there will result a tax rate so low as to be endurable. The experience of Ohio is instructive. This idea prevailed in that state with the result that stringent laws were passed. The special tax commission which we have already quoted said:

"We have in Ohio the most efficient and minute scheme of bringing upon the duplicate (i. e., assessment roll) all of these classes of property which has been devised in any state. Every citizen is bound under oath to make a complete return of his property. The list which he returns is to embrace all forms of personal property; if he declines to make the oath required by law, a penalty of 50 per cent is added. The statutes also provide a method by which the auditor may bring before him the citizen and examine him, if he suspect that the return is not a complete one. In addition to all this, the county commissioners have authority to make a contract with such persons as may give information, which will result in personal property being placed upon the duplicate. These persons are rewarded with a large proportion of the amount recovered through their efforts."

With this ferret system in operation the taxed intangibles steadily decreased, wealth left the state, evasion increased until the last condition was worse than the first. It is a significant fact that no state has devised a system of enforcement which enforces. No less significant is the other fact that no state which has discarded the general property tax has returned to it.

This tax has been without doubt more successfully administered in Massachusetts than elsewhere in this country. Massachusetts is a very wealthy state, not only in her industrial properties within the commonwealth, but also in her investments in bonds and in foreign securities. The total assessed valuation of real estate for 1911 is \$3,092,791,011; of personal property, \$984,444,252. It is impossible to tell other than by estimate the part of this latter item which represents intangible personalty. Perhaps \$450,000,000 is a reasonable statement. What proportion this amount is of the whole of such property belonging to the people of Massachusetts cannot be stated, but the usual estimates do not place it at more than 25 per cent, and many careful students believe it to be less than 10 per cent of the whole. The fact is that in Massachusetts and in the other states only a small part of the intangible personal property which by the constitution and the law is subject to taxation is actually taxed. And the primary reason for this failure to tax is not lax administration. The primary reason is that

(Continued on page 28)

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CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

Chicago Chapter News

By OTTO J. KRAMPIKOWSKY.

Because of the very cold weather, the attendance of the chapter members on Tuesday evening, January 9th, was not as large as usual. The meeting was called to order by Chairman Harry S. Smale. After several very excellent vocal selections by Will J. Doherty, Mr. Smale introduced the speaker of the evening, George B. Caldwell, manager of the bond department of the Continental and Commercial Trust and Savings Bank, who was promoted to the office of a vice-president but a few hours previous by the board of directors. An extract from Mr. Caldwell's speech is as follows:

Address of George B. Caldwell

Gentlemen of the Chicago Chapter of the American Institute of Banking: It was in January, 1904, that I had the pleasure of having this association for an audience on the topic of "Investments." Your association was then young and much smaller than now and while I was then given good attention to a dry subject, yet I know that I am expected to do better myself, and that I have a very much larger and more critical audience, for since then you have been gaining in wisdom, both individually and as an organization, and most of you have come in contact with bonds, either as investors, as dealers in collateral, or as dealers in bonds themselves. My paper to-night will, therefore, be rather more technical than elementary, and will in the main be devoted to the general heading, "Classification and Description of Bonds."

I shall assume that we all know that property as the possession of civilized man is fundamentally divided into two kinds—land, with whatever is permanently attached to it; and personal property, meaning movable goods and chattels, to which classification bonds belong. Let us start this discussion then with the premise that all pure investments are loans. Then must follow that all investment securities are credit instruments, or contracts, for the future delivery of money. Since there can be no contract without consideration, loans may be divided according to the nature of this consideration into (A) Those with no monetary rental value, meaning credit balances in open account not interest bearing; (B) those with fixed periodic rental or interest, meaning commercial loans, secured and unsecured and bonds, and (C) those with indeterminate time or rate of interest, of which income bonds are a typical class. Another classification may be made according to the contract for redemption, in which case we have loans payable as to principal: First, at the will of the lender—for example, the demand loan; second, at the will of the borrower—the time loan; and third, at a prearranged time,—like a perpetual loan, with an option, or an endowment insurance policy, whereby the principal and interest is returned, if certain things prearranged are fulfilled. Bonds and mortgages are among the various kinds of investments that dominate all others, the prime fundamental difference being that bonds are merely fractional parts of ownership in a mort-

gage and possess a liquid value, or market value, that cannot be said of mortgage investments—at least of those for large amounts.

In the financial forms, no topic furnishes material for a livelier debate than the question, "Which are the better investments, bonds or mortgages?" The contest is fought over and over again without casualties to either side, and with neither side convincing the other. If we try to answer the question by the record of defaults, we find that only by visiting at every office of record could one ascertain the number and value of mortgages that go wrong every year, while the census of bond defaults are given greater publicity, and are quite easily determined. Not only are trustees' records available, but the records of the Interstate Commerce Commission will show accurately the default in railroad bonds, and the records of various state public utility commissions will likewise show the default of such public utility bond issues in their state as come under their control. The obligations of industrial corporations will likely give meager statistical information for years to come, unless the bureau of corporations of the department of labor and commerce should take up this work. While on this subject, there is one thought I would leave with you—that American municipal bonds have been for the past twenty years a safer investment than American real estate mortgages, so that any debatable ground relates to railroad, public service and industrial bonds, as compared to real estate mortgages, and without debating the question I will add that this form of bond has grown in favor only as it has improved in security, and is to-day quite a popular form of investment.

The statement is frequently made that real estate mortgages are always worth par, because the principal will be paid promptly at maturity. It is obvious the same can be said of bonds, either long or short time, regardless of the price they are selling at. While it is doubtless true that a real estate mortgage cannot decline to the same extent as a long time bond, yet the price of money must be reckoned with, if either are sold before maturity, and while a mortgage may not decline in market value like a long time bond, neither can it appreciate. It is also true that an investor in long time bonds, if made at the proper period, when they are selling low, has the benefit of the high yield until maturity, and is not called upon to reinvest his money at low rates, as is frequently true of purely mortgage investors. I, of course, believe there is little to choose between a mortgage and a bond in the investment essentials, but those who will acquaint themselves with the collateral advantages of bonds will purchase them instead of mortgages, as is evidenced by the great growth of the bond business in general, and in real estate mortgage bonds in particular.

I will leave this discussion here, and ask your attention for a moment to the question of listed versus unlisted bonds. One of the stock opinions arising from half-truths in financial matters is this, "Listed bonds are the only kind to buy." Of the nine or ten desirable elements in an ideal investment only three can be advanced seriously as being affected by listing on the stock exchanges:—

First, the security of the investment; second, the negotiability of it; and third, the rate of income it yields.

As to security, it is true that the listing committees of some of the exchanges require certain definite statements concerning the companies whose securities are to be listed, and it is also true that the New York stock exchange requires all bonds to be dealt in there shall be certified to as to their genuineness by a trust company, but the information of any listing committee concerning the value of the security is blackest ignorance compared with the intimate knowledge any bond house must have of the condition of the company whose obligation it floats. The members of the listing committee are handed a financial statement and brief answers to set meetings, while the bond house employs engineers for appraising, auditors for verification of accounts and attorneys for passing upon all legal questions. This is reasonable when it is understood that bankers in investment securities usually own the bonds they sell, while stock exchanges are merely associations of agents who sell for the account of others. What possible assurance of safety, in the ordinary sense, can be found in listing when Erie common and Southern Railway common are to be found listed on the New York board, while Standard Oil is not, or when Wabash-Pittsburgh terminal second 4s, selling at 4 cents to 11½ cents on the dollar are listed, when state of Massachusetts 3½s or various issues of first mortgage public service bonds are not?

The buyer who holds up his hands at unlisted bonds usually makes one of two errors, either he calls what he wants by the wrong name, or else he buys what he does not need. If current bonds are what he wishes, he can get them on the curb, or at the bond counter, as well as on the board. If he is buying for investment (the purpose for which funded loans are made), he not asking himself this question, "If I buy this unlisted and inactive bond at 95 I may have to sell it at 90 to get rid of it, but if I buy this active bond at 95 I can turn around and sell it again, say at 94 to 94½, including commissions both ways," and allowing nothing for market changes, in which case he would be paying 5 per cent for activity and 90 per cent for investment value.

I am making no plea for unlisted bonds, or uncurrent issues. It is merely the application of sound investment principles to all bond buying and selling that I desire to call to your attention. It is fitting that the fallacy of listed bonds be exposed, in order to emphasize the desirability of analyzing one's investment needs before buying, and herein the judgment of the bond house and salesman who is, or should be, an expert in his line has much of value to the investor.

In making loans upon collateral, other conditions enter in, which give listed bonds and listed stocks a decided advantage. A bank has not the time or personal interest to investigate and frequently does not have an expert at hand. Personal credit is his specialty, collateral credit, or credit instruments are secondary. In taking them the bank moves along the line of least resistance, the loan clerk has less thinking to do. For ordinary investment purposes, it may be truthfully said that

(Continued on page 30)

R. T. FORBES - President
J. E. COMBS - - Cashier
R. S. BRITTAIN, Asst. Cashier
R. N. RIDGE - - Auditor

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

Few changes of importance have resulted from the annual meetings of various large banks in Kansas City, Omaha, and other cities of the Central West. For the most part old officers have been retained. Although the year just past was not as prosperous as several before it, the banks as a rule declared satisfactory dividends. One of the interesting developments was the sudden rise of stock of the Commerce Trust Company of Kansas City, which jumped ten points in two days, as a result of the business showing. A sale of ten shares of First National Bank stock in Kansas City at 52½ was the first sale of this stock reported for more than a year. This stock has doubled twice out of its earnings. The highest priced bank stock in Kansas City is that of the Missouri Savings Bank, for which 750 is bid. This stock paid 18 per cent last year.

According to bankers in the Central West the year that has just closed was entirely satisfactory, under somewhat adverse conditions. Although the volume of business was not great there were no failures of consequence and there was a disposition toward conservatism that has placed the financial situation on a safe basis. For the most part merchants in this territory have allowed their stocks of merchandise to run down and it is predicted that there will be heavy buying as soon as inventories are completed. For more than a week snowstorms raged over the agricultural districts and put the wheat in fine condition. A year ago wheat was practically killed as a result of the drouth. There is a strong feeling of hope for a prosperous year among bankers and other business men in the Central West, based upon unusually bright crop conditions.

Review of Guarantee System

Just one year has elapsed since the United States supreme court held the Kansas bank deposit guarantee law constitutional. At that time the bank guarantee system was a burning political issue in Kansas, Oklahoma and Nebraska, and the bank guarantee laws of all these states depended upon the decision of the highest court. A year ago there were 390 state banks in Kansas under the guarantee system and in the year that has passed forty-eight more state banks have come in, making a total of 438 state banks at present under the Kansas guarantee law. There are 897 state banks in Kansas, so that just a few less than half are under the guarantee law. The total amount of outstanding certificates under the law is approximately \$30,000. When a bank under the law fails, certificates are issued to the depositors for the amount of their deposits, bearing 6 per cent interest. When a dividend is paid, depositors bring their certificates and receive their proportion of the dividend, which is noted on the certificate. If after all the dividends are paid there is still money due the depositors, this is paid

from the bank guarantee fund. There are 105 banks in the Bankers Deposit Guarantee and Surety Company of Kansas, which insures the deposits of state and national banks. National banks cannot come under the state guarantee law. There are 209 national banks in Kansas and the total amount in the Bankers Deposit Guarantee and Surety Company is \$366,550. The total amount of bonds and cash in the Kansas state guarantee fund is \$355,880. Of this \$58,368 is in cash. When a bank comes under the law it puts up bonds, \$500 for each \$100,000 of deposits, to guarantee the payment of the assessments. An annual assessment of 50 cents on every \$1,000 of deposits is made, until the assessments total \$500,000. No special assessments have been made since the law went into effect. The annual assessment for 1912 will be made January 20th and will add \$35,000 to the fund.

Concerning Failure of Night and Day Bank

Following close upon the failure of the Night and Day Bank of Kansas City, Mo., last week, came the closing of the doors of the Night and Day Bank of Kansas City, Kan. In a statement concerning the failure J. N. Dolley, state bank commissioner of Kansas, said: "The failure of the American Union Trust Company, which had taken over the Night and Day Bank of Kansas City, Mo., had a direct bearing on the failure of the Night and Day Bank of Kansas City, Kan. They were more or less connected in a business way, and since the failure of the American Union Trust Company a strong lack of confidence has developed and there has been a steady drain by depositors on the Night and Day Bank of Kansas City, Kan. The bank is not a guaranteed bank. It has deposits of about \$60,000 and cash and sight exchange of about \$10,000. I am not fully informed at this time as to the real value of the bank's assets, but what information I have leads me to believe that the depositors will not sustain very much loss, if any." J. M. McDonald was president of the bank and owned 85 per cent of the stock. He lives at Pleasant Hill, Mo. J. W. Yardley, vice-president, lives in Kansas City, Kan. E. J. Wolf was cashier. There has been no announcement concerning a settlement of the affairs of the American Union Trust Company of Kansas City, Mo., which failed two weeks ago. The institution is still in the hands of the Missouri banking department. John E. Swanger, Missouri bank commissioner, in his last statement as to the condition of the bank and trust company said: "We continue to collect from the local business men and others who owe the American Union Trust Company, and are making a satisfactory showing toward meeting the obligations of the defunct company. I can promise nothing as yet to depositors—that is, nothing more than I have promised right along. We will do our best. In a week or two, perhaps, we will be able to make a division of some

sort, if those who owed the trust company when it failed continue to take up their paper."

Must Nationalized Banks Pay Guarantee Assessment?

An important suit in connection with the enforcement of the Oklahoma bank guarantee law has been argued in the federal court at Guthrie and bankers generally are awaiting with interest the opinion which is promised soon. The point at issue is the power of the state banking board to compel the Peoples National Bank of Kingfisher, Okla., to pay a guarantee fund assessment made by the board before the bank was nationalized. The assessment was made March 2d, last, and the bank was nationalized March 18th. Former Justice Burwell of the Oklahoma supreme court argued that the assessment made last March was not for the purpose of paying off depositors in failed banks, but instead was simply to fortify the guarantee fund against future developments; therefore, the Kingfisher bank, having nationalized, expects no guarantee benefits in the future and cannot be held for such assessment. On the determination of this case depends the payment of the same guarantee assessment of some fifty former state banks that nationalized after the assessment was made.

Oklahoma Guarantee Fund

In a statement of the condition of the Oklahoma state guarantee fund, it is shown that while \$85,520 has been paid out during the past three months to depositors in defunct banks, the amount of cash in the guarantee fund has increased from \$44,237 on October 1st, to \$61,119 on December 30, 1911, the end of the quarterly period. During the three months the fund was replenished to the amount of \$103,078 by assessments from state banks, while there was collected from the assets of failed banks \$4,927. The board paid depositors in the Farmers State Bank of Tushka \$26,867; the depositors in the Alamo State Bank of Muskogee \$20,125 and the depositors in the Creek Bank and Trust Company of Sapulpa \$20,125. The last named is the institution formerly conducted by the Westfall Brothers, and for the wrecking of which Frank S. Westfall is in jail awaiting trial.

Topeka Bank Clearings Show Large Increase

Topeka bankers are jubilant over the fact that the bank clearings in that city showed an increase during the year 1911 over the previous year of 16.9 per cent. This is the best record of any city in the Central West, as the prevailing increase in the smaller cities averaged only about 8 per cent while most of the larger cities, notably Kansas City and Omaha, had a falling off in clearings. The reason for Topeka's prosperity was the unexpected excellence of the crops in that district, which suffered less from the drouth of the summer

than in most other parts of the Central West. Wichita, Kan., also made a good showing for the year 1911. In 1910 Wichita banks cleared \$160,247,935 and in 1911 this was increased by about \$7,000,000.

Condition of Nebraska Banks

An abstract of the condition of the 669 state banks and trust companies in Nebraska shows that since the last report in August there has been a decrease of \$1,694,799 in deposits and an increase of seven in the number of the banks under state charter. Compared with practically the same period a year ago there is a gratifying increase in deposits of \$2,209,674. The average reserve is 27 per cent, being 3 per cent more than a year ago. There has been one state bank failure in Nebraska since 1904 and that was due to an officer of a small bank absconding in 1907. The failed bank finally paid back 95 per cent of its deposits without the help of the deposit guarantee law, which was not in effect then. Bank Commissioner Royse also finds that a number of the soundest banks in Nebraska at present at one time several years ago under less stringent regulation and supervision were on the verge of insolvency.

Warrant Out for Herschey

A warrant has been issued for the arrest of J. H. Herschey of Olathe, Kan., former assistant and treasurer of the Central Bank and Trust Company of Fort Smith, Ark., which failed two weeks ago. He will be charged with receiving deposits when he knew the bank to be in a failing condition. The prosecutor declares that he may issue warrants for all persons connected with the bank. E. D. Martin, secretary and treasurer, who was arrested December 30th, has been remanded to jail in default of bond. A. S. Dowd, receiver for the bank, announced that the books of the company only showed \$500 capital stock paid in, although the books show that \$53,500 of the \$100,000 authorized capital had been subscribed. It also developed that all of the officers of the bank had resigned a few days before the crash came.

Condition of Oklahoma Banks

On September 1st, last, Oklahoma had 271 national banks outside of the reserve banks, with \$37,154,391 deposits. These same banks showed a total deposit of \$42,017,904 on the first of last December. The national reserve banks not shown in the foregoing statement have approximately \$23,500,000 in deposits. There are 633 state banks in Oklahoma with total deposits amounting to \$58,170,999. As the totals given by Comptroller Murray show that the national banks listed held \$42,017,904, on the same day, the grand total of deposits in all banks of Oklahoma is about \$100,000,000. To this must be added, of course, the \$23,500,000 in reserve banks. These figures show that the people of Oklahoma were able to increase their bank deposits nearly nine million dollars under the adverse conditions that prevailed in 1911, which is cause for general gratification in the new state.

Texas Banks

The Texas department of banking has issued a statement covering the condition of state banks during the period from September 1, 1911, to December 5, 1911, being the dates of the last two calls. In that time twenty-one banks with a capital of \$829,500 have been authorized to begin business. Six have discontinued by liquidation, consolidation or otherwise, leaving in existence 688 banks and trust companies under state charter, with a combined capital of \$23,520,500, and surplus and undivided profits of \$6,473,602, or a net increase of fifteen banks and \$1,262,579 in capital, surplus and undivided profits. Loans and

discounts decreased in the same period \$5-221,283. Overdrafts increased \$1,929,208. There are fourteen state banks maintaining savings departments. The cash reserve required is 15 per cent of the total deposits but the statement shows an excess of about three per cent.

Central West Notes

The Nebraska state banking board has made its second assessment under the guarantee law. The assessment is $\frac{1}{4}$ of one per cent upon the average deposits for the six months preceding December 1st. These total \$72,809,632 and will produce \$182,024. This is to be added to the \$172,000 raised by the first assessment of July last.

In accordance with a new policy the custodians of the Nebraska school fund are selling bonds of municipalities and counties outside the state and are investing in Nebraska securities exclusively.

There is a persistent rumor that James A. Flack, the absconding cashier of the Abilene (Kan.) State Bank, has been located and will be brought back to Kansas for trial. He is

said to be now in a distant part of the United States under the eye of a detective working for the Burns agency.

An involuntary petition in bankruptcy has been filed against the New State Loan Company of Oklahoma City by five Chicago concerns. They allege the loan company committed acts of bankruptcy recently in making payments to the Oklahoma state guarantee fund and Farmers National Bank of Oklahoma City.

The Durland Trust Company of Norfolk, Neb., has begun business by depositing \$10,000 with the state auditor. The company has a capital of \$36,000.

The bank officials of all the banks of Wichita, Kan., held a dinner one night last week whereat they discussed the history of the financial year just passed. It was a most delightful affair and the bankers left the dinner better acquainted and in a most optimistic frame of mind.

C. C. Spiers, cashier of the Bromide State Bank, Bromide, Okla., has resigned and will go into business in Oklahoma City.

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Forty-four strokes are required to write it the typewriter way, *abbreviated* to the bone, with punctuation left out.

The more strokes necessary to write anything, the more it costs—every motion requires energy, takes time, costs money.

It requires more work to write the *spaces* in the above item with a typewriter than to write the *whole item* with a Burroughs.

It would take twice as much work to *punctuate* the item with

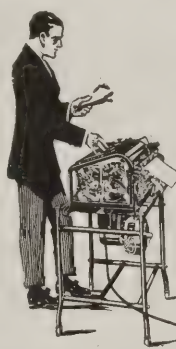
a typewriter as to write it *complete* on a Burroughs.

The American Bankers' Association has approved the *numerical* way as the *best* way. Not because it is *cheapest*, but because it is *best*.

Will you use the *best* way or *pay more* for the *old* way?

Will you write your transit items in *full*, numerically, or *abbreviate* them in the *old* way?

Let the Burroughs man demonstrate without obligation or cost to you, how a transit machine will eliminate waste motion in your bank figure work.



Burroughs Transit Machine—for transit letters and bank figure work. Carriage entirely automatic—eliminates waste motion.

Wouldn't today be a good time to ask for the Transit Folder?

Burroughs Adding Machine Company

65 Burroughs Block, Detroit, Michigan, U. S. A.

European Headquarters, 76 Cannon St., London, E. C., England

The Security National Bank of Minneapolis

Was Established in 1878

A continuous business experience of thirty-three years has given us a thorough knowledge of the banking needs of the Northwest, thereby enabling us to give your business intelligent and satisfactory attention.

New Trains to ST. LOUIS



NEW ALL-STEEL TRAIN DAYLIGHT SPECIAL

Leaves Chicago 10:02 a. m., arrives St. Louis (via Merchants Bridge) 6:02 p. m. New indestructible Steel Cars of Handsome Interior Finish. Every comfort and convenience will be found on this train.

NEW EVENING TRAIN ST. LOUIS EXPRESS

Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m. An up-to-date train in every particular, with an early evening departure from Chicago.

New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped throughout, with a late evening departure from Chicago. Stops made in both directions at South Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars, Sleeping Cars. Free Reclining Chair Cars and Coaches.

ALL TRAINS ELECTRIC LIGHTED

TICKETS, FARES AND SLEEPING-CAR RESERVATIONS AT

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

E. W. Decker, since January, 1903, managing vice-president of the Northwestern National Bank, was on Tuesday elected president. W. H. Dunwoody, for many years president of the bank, was advanced to chairman of the board, a position which will give him the desired relief from active work in connection with the bank business. He recently passed the age of seventy.

Mr. Decker was forty-two years old, August 24, 1911. He was born in Austin, Minn., and graduated from the high school in 1887. He came at once the Minneapolis and started banking as messenger. In 1895 he was made assistant cashier of the Metropolitan Bank. Later he was elected cashier. In 1901 he returned to the Northwestern as cashier, and two years later became manager with the title of vice-president. Mr. Decker is one of the best known financial men of the Northwest. He has held several positions including the presidency of the Twin City Bankers Club, presidency of the Minneapolis Clearing House Association, a director in the Northwestern National Life Insurance Company, and is now president of the Minnesota Loan and Trust Company.

Other vice-presidents remain, Judge M. B. Koon, Joseph Chapman, Jr., and J. A. Latta. F. E. Holton retains the cashiership, and the assistants are: C. W. Farwell, R. E. Macgregor, A. V. Ostrom, H. P. Newcomb and W. M. Koon.

Mattson to Go with Scandinavian-American National

Edgar Lincoln Mattson was on Tuesday elected cashier of the Scandinavian-American National, a position heretofore filled by Vice-President C. L. Grandin. Three years and two months ago, when the Swedish-American National was absorbed by the Northwestern National, Mr. Mattson was cashier. In the interim he has been assistant cashier at the latter bank. He now returns to a bank which makes a strong bid for the business of

the Scandinavian-Americans, organized after the dissolution of the Swedish-American.

Mr. Mattson is not alone a banker, although he has been in the business since he was seventeen years old, twenty-three years ago, when he left the Central High school to work. He is also treasurer of the Minnesota State Agricultural Society, an office he held two years ago, to which he was re-elected after one year, and to which he was re-elected yesterday. He lives at Wildhurst, Lake Minnetonka, until the invasion of his comfortable lake shore yard by Jack Frost. Then he hies himself to the city. As a Viking he is a member of the Minnetonka Yacht Club. As a patriot he belongs to the Loyal Legion—his father was a colonel in the famous Third Minnesota of the Civil War. As a business man he belongs to the Commercial Club, and as officer in charge of bank advertising he became a member of the Publicity Club. Harking back to ancestry he belongs to the Odin Club, of which he has served as president. Hans Mattson, his father, helped organize the old Swedish-American Bank with which the son was connected through its nationalization up to its liquidation; had also been secretary of state several terms and consul general in India, transmitting his diplomatic strain to his son. The Scandinavian-American National has \$500,000 capital, and \$90,000 surplus. The president is Theodore Wold, late of Winona.

MacFadden in a Train Accident

W. C. MacFadden, secretary for North Dakota, had a rude awakening January 7th. The awakening was at 4 A. M. Mr. MacFadden was on a Northern Pacific train from the Twin Cities to Fargo. At Cushing Siding, Minn., the train struck a broken rail. Cars left the track, but remained upright, except Mr. MacFadden's sleeper. He says: "We were all asleep. The first we knew glass began to crash. I imagined the chandeliers were breaking. The man on the other side of the car came rolling in on my berth. A fence-post

rammed the next berth, missing a woman. The glass in my berth did not break. It took us a long time to find our things. They were so mixed up."

On a West Indies Cruise

J. A. Latta, Mrs. Latta, Mrs. John A. Weber, Mrs. Latta's mother, and Lorenzo Weber, cashier of the Webber State Savings Bank, Portland, Mich., Mrs. Latta's brother, sailed to-day from New York on the Bermudian for the West Indies trip. They will change boats at Bermuda and the Barbadoes. After the canal trip they will come north by way of Cuba, Havana, and Florida.

Promotions at Minnesota Loan and Trust Company

W. A. Durst was advanced from secretary to vice-president at the annual meeting of the Minnesota Loan and Trust Company; H. L. Moore, treasurer, becomes secretary-treasurer; C. V. Smith, advanced from assistant trust officer to trust officer, succeeding J. M. Martin, elected general counsel. H. D. Thrall was made assistant secretary. E. W. Decker was re-elected president; Judge M. B. Koon, W. H. Dunwoody, and A. M. Keith, vice-presidents, I. W. Chambers, assistant treasurer; S. S. Cook, cashier, and J. R. Byers, assistant cashier. The surplus was advanced \$50,000 to \$200,000.

New York Banker is for Taft

G. C. McNeir, vice-president of the Bank of the Metropolis, New York, said in Minneapolis last week: "If Taft is renominated he will carry New York, New Jersey and Connecticut. He is the choice of Eastern business men. While some of his policies toward capital have not been admired, we are sure he will give a much more stable and dignified attention to business legislation than any of the other candidates for office, or Theodore Roosevelt. The underlying tone of business in the East is good. Money is going into legitimate business channels. There is a lack of specu-

Increased Deposits with Publicity—With Little Cost!

Your Bank the Bank of the Community

"The Christmas Savings Club Plan"

☐ A positive means of increasing your **Deposits**; cultivating the systematic **Banking Habit**. Interests the community in your **Bank**. \$135,000.00 saved in the initial year in one community by using our "**Christmas Savings Club Plan**." Inexpensive, all efficient, and with profit. We sell but one **live Bank** in a community. Absolutely no solicitors required.

Write to us today for explanation and terms. Address

THE LANDIS CHRISTMAS SAVINGS CLUB CO. UNION TRUST BUILDING HARRISBURG - PA.

CHAS. S. BOLL,
President, Union Trust Company of Pennsylvania.
GEO. W. CREIGHTON,
General Superintendent, Pennsylvania Railroad Company.
H. J. CULBERTSON,
President, Citizens' National Bank.

DIRECTORS
CHAS. A. DISBROW,
President, Commercial Bank.
HARRY W. DAVIS,
HARRY HERTZLER,
President, Carlisle Trust Company.

HARRY D. JONES,
Cashier, Pennsylvania State Treasury Department.
MERKEL LANDIS,
Treasurer, Carlisle Trust Company.
GEO. O. MOTTER,
Cashier, Peoples' National Bank.

lation. This shows business is on a firm footing. Money is very cheap in New York. Stocks are low. A conservative tone is marked. This matter of monetary reform should be divorced entirely from politics. It should be a business proposition. There should be an elasticity that would take away from New York the burden of being responsible for finances like in 1907.

Boston Growing

T. P. Beal, president of the Second National of Boston, said: "Boston has seen a great gain in her wool and cotton industries in the last few years. Then, too, the city is realizing fast its aspirations as a greater seaport. The dock commission recently appropriated \$9,000,000 for building greater docks."

How J. B. Forgan Became Cashier of Northwestern National

J. B. Forgan told how, twenty years ago, when he was in charge of the little office of the Bank of Nova Scotia in Minneapolis, he took the big job of being cashier of the Northwestern National. The incident that turned the scale after he had been approached by W. H. Dunwoody and M. B. Koon, was as follows: "One of the directors came to my house and my little boy was playing outside. The director got into conversation with the boy and asked him about his father's habits and many things.

"Does your father smoke?" he asked.

"Well," said my boy, 'dad never buys any cigars, but he always smokes all the cigars that people give him.'

"That's the man we want for cashier," said the director, and I was slated for the job."

St. Paul Bank Elections

At the St. Paul bank elections presidents were retained. J. W. Wheeler, recently of Crookston, was confirmed as president of the Security Trust Company, a position he has acted in since January 1st, when F. Y. Locke resigned as vice-president of the Capital National. C. A. Boalt and F. P. Fellows were made directors to succeed Mr. Locke, and Mr. Wheeler succeeded Ambrose Tighe as director. M. L. H. Ickler, cashier of the American National, was slated to succeed C. J. Peebles as vice-president, and H. B. Humason, assistant, to be cashier, and Mr. Humason and J. W. Cooper for directors of the Northern Savings Bank, a savings department. C. H. F. Smith was the man selected to name as an additional vice-president for the bank. To the bank surplus \$35,000 was added, making it \$75,000, and leaving \$10,000 undivided. The capital is \$200,000.

Increases Capital

The Minneapolis State Bank voted to increase capital to \$50,000, carried \$500 to sur-

plus, and left \$500 undivided. The capital now is \$25,000. L. M. Chamberlain succeeds E. E. MacGill as vice-president. C. E. Hill is advanced from assistant to cashier to succeed A. L. Arnold, removed to Beach, N. D. The dividend of 6 per cent annual was declared.

Other Bank Changes

G. W. LaLone was elected assistant cashier of the Minnehaha State, and G. R. Frissell was elected to the directory of the Camden Park State. The Security National is now on a 16 per cent dividend basis, the first quarterly of 4 per cent having been recently declared. No change was made in officers at the First, Metropolitan National or the Security. The Scandinavian American National continues to put its profits into surplus and has not yet established a dividend rate.

Banking Notes of Interest

V. E. Neudeck, former member of the board of directors of the Merriam Park Bank, has been elected cashier and E. W. Eames assistant cashier. Mr. Neudeck succeeds W. J. McPettridge, Jr., who was advanced to vice-president.

O'Connor Brothers of Renville, Minn., have bought the interest of E. B. Page and of the Gold-Stabeck Company of Minneapolis in the Devil's Lake State Bank, N. D. J. M. Thompson, cashier, will remain with the institution. Mr. Page has been president one year.

F. H. Peterson, president of the Union State Bank, spent \$7 last week, perforce. He was held up on his way home, and beside the money the thugs took a watch, which Mr. Peterson received from his father on his twenty-first birthday, some time ago, also a diamond set locket presented by bank employees when he was elected president. As the men were not masked, who held him up, Mr. Peterson will require no alibi of any of the bank directors. He did not recognize the men as depositors in his bank, applicants for loans, or as even having a passing acquaintance with him. Mr. Peterson had no more money on his person.

F. N. Burrows and N. J. Thompson have sold their interests in the Citizens State of Bathgate, N. D., to A. T. Helgerson of Gettysburg, S. D. Mr. Helgerson will be cashier, succeeding Mr. Thompson.

The Northwestern Trust Company, Grand Forks, N. D., has elected officers as follows: President, F. L. Goodman; vice-president, E. Y. Sarles, Hillsboro; second vice-president, J. D. Bacon; secretary-treasurer, J. R. Carley.

J. P. R. Reinhard has resigned as cashier of the Monroe County Bank, Sparta, Wis., to become cashier of the Warrens bank at a better salary.

Upon resignation of President J. E. Wheeler and Vice-President Orlando Holway of the Exchange State Bank, LaCrosse, Wis., W. B. Tscharner and J. P. Gohres were elected respectively. R. B. Lowry is cashier, and W. G. Lowry, assistant. The directors are R. B. Lowry, G. B. Phillips, C. P. Thompson, J. P. Gohres and W. B. Tscharner.

Edward Lyons retired from the presidency of the Security Savings of LaCrosse and Dr. A. Gunderson was elected to succeed him. Other officers chosen are: Vice-president, F. A. Cotton; cashier, J. A. Thwing; assistant, J. B. Brenner; directors, O. R. Skaar, B. F. Keeler, L. J. Kilian, Ole Elbertson, N. Frey, and L. P. Benezot.

W. H. Dunwoody, chairman of the board of directors of the Northwestern National Bank, was elected director of the Great Northern road on January 2d, to succeed Edward Sawyer, resigned.

The First National Bank of Minneapolis has adopted a pension system for employees, making three national banks now provided with a plan. The general features are those of the Chicago First National, after which the other two local banks have also patterned.

SEATTLE TO RUN CITY BANK

Seattle, Wash., January 10.—The council passed a resolution to-day calling for the creation of a municipal bank and trust department to handle the city's moneys. The resolution instructs the mayor to appoint a commission of five members to draw up plans for the city's bank.

The city carries balances in Seattle banks ranging from \$4,000,000 to \$5,000,000, which draws 2 per cent interest.

The resolution proposes to have these funds handled by the municipal bank.

To-day's action resulted from the refusal of members of the local clearing house association to bid on an \$800,000 municipal street railway bond issue.

BECOMES BANK PRESIDENT

Washington, Ind., January 9.—Judge William Ray Gardiner, one of the best-known lawyers in this section of Indiana, was elected president of the State Bank of Washington at the directors' meeting, replacing George Godwin, former county treasurer. J. M. Twitty was re-elected cashier.

The Izard County Bank of Guion, Little Rock, Ark., has been chartered by the state. Its capital stock is \$10,000. J. W. Williamson is president; Austin Billingsley, vice-president, and E. L. Collier, secretary and treasurer.

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

**Assets Over
\$16,000,000**

The Seattle National Bank

OF SEATTLE, WASHINGTON

SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

R. V. ANKENY, Cashier
J. FURTH, Chairman Board of Directors

Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

Pacific Northwest Banking News

Spokane, Wash., January 9.—Prosperity reigned in Spokane and throughout the Inland Empire during the year 1911, according to facts and figures submitted by the business and state and county officers in their yearly reports. During 1911, Spokane jobbers disposed of goods valued at \$60,000,000, on which freight bills amounting to \$5,000,000 were paid. More than 3,500 employees owe their positions to the jobbing houses of Spokane, among which are 500 traveling salesmen. One million dollars' worth of cigars and tobacco, it is estimated, were shipped into the Inland Empire by Spokane jobbing houses during the year. Wholesale lumber houses handled approximately \$9,000,000 worth of timber products. Hardware houses handled \$6,000,000 worth of their products. Property owners of Spokane paid improvement assessments amounting to \$1,133,443.77 during 1911, exceeding the amount paid in 1910 by nearly \$100,000 and breaking all records in the city. The year was a record breaker so far as street improvements in Spokane were concerned. Figures just given out from the city engineer's office show the improvements to be far ahead of those of any other year in the amount of paving, curbing, guttering and sidewalks built. There was a \$30,000 increase of water rentals and all lines show prosperity.

4 Per Cent Interest on Savings

Spokane bank depositors will get 4 per cent on their savings deposits from January 1, 1912. The new rate was inaugurated with the opening of the new year by the Exchange National Bank, which raised the interest from 3 to 4 per cent. While no action has been taken it is understood there is a general agreement among the national banks that they will meet the 4 per cent interest rate on savings accounts, which has always been paid by the trust companies of the city. "The advance of the interest rate to 4 per cent was made because the profits in the banking business in Spokane warranted it," declared E. T. Coman, president of the Exchange National Bank. "Four per cent is being paid by banks in San Francisco, Portland and Seattle. In New York 3½ and 4 per cent is being paid. If the other financial centers can pay 4 per cent, Spokane banks, with their high rates of interest obtained, ought to be able to do as well. The fact is, we are making enough money to be able to pay 4 per cent, and the depositors are entitled to all we can afford to pay."

Good Standing in East

Spokane's credit is good with the banks of the East. A Spokane city warrant drawing the usual 6 per cent interest is welcomed by eastern financiers, six of whom have written to City Treasurer Arthur Lewis, asserting their readiness to purchase Spokane warrants at any time. These letters come from bankers as far east as New Hampshire, who held \$300,000 of the city water extension warrants now being retired. Among the banks that

have written to City Treasurer Lewis are the Lancaster National Bank of Lancaster, Ohio; the German-American Trust Company, Denver; Central National Bank, Omaha; First National Bank, Manchester, N. H. The New Hampshire bank held \$24,000 of the warrants. Deputy City Treasurer Fred May handled the details of paying off the holders of the \$938,000 of water extensions. "Spokane city warrants and improvement bonds have received a boost since the sale of the water extension warrants," said Mr. May. "Improvement bonds, which two or three years ago sold at as low as 94 and 95, are to-day commanding 97½ to 98½. The wiping out of the floating water debt has greatly improved the city's credit." At the close of business at the city treasurer's office last night \$867,741.31 of the water extension warrants had been paid, leaving \$39,000. The total amount paid in interest on the warrants is a little over \$54,000. Over \$500,000 of the warrants were held by Spokane banks.

Review of Idaho for 1911

Idaho, during 1911, enjoyed a year of prosperity. In manufacturing, commerce, farming and in all lines of industry the Gem state

marched forward and set new standards of achievement. The estimated mineral output of the state for 1911 is \$19,000,000, an increase over 1910 of nearly \$2,000,000. The value of farm products for the year is placed at \$36,701,752, an increase of 20 per cent over the previous year. The fruit crop of the year is valued at \$6,000,000, about the same as 1910, while nearly \$50,000,000 is placed to the credit of the live stock industry. With irrigation projects under way that mean the ultimate reclamation of 600,000 acres of arid land, of which perhaps 20 per cent has already been reclaimed, the future of the state is bright.

Refuses Presidency of League

F. M. March, president of the National Bank of Commerce of Spokane, has definitely refused the presidency of the Spokane County Progressive Republican League, which has been tendered to him at intervals by the league for the last month.

Receive Dividend

The stockholders of the defunct Commerce State Bank of St. Joe, Idaho, have received a dividend of \$10 a share on the stock of the bank. The Commercial State Bank closed operation last July and its business was taken over by the Kootenai County State Bank of St. Maries. Since that time enough collections have been made to pay up the depositors in full and a dividend.

Will Pay 5 per cent Dividend

Although organized only three years the First National Bank of Hillyard, Wash., will, to-day, pay its annual dividend of 5 per cent, or \$1,250, on its capital of \$25,000. The company has set aside to surplus in the last two years 15 per cent, making the earnings of the bank since it opened \$5,000.

Fidelity Building and Loan Association

An annual dividend of 7 per cent, or about \$5,000, was paid by the Fidelity Building and Loan Association in 1911. Dividends were paid on \$93,357 of stock. The association is operated on the co-operation plan. The annual statement of the association is as follows: Resources: Loans, \$91,781.45; bonds and warrants, \$1,103.30; accrued interest, \$896.59; furniture and fixtures, \$350; contingent fund, \$734.84; cash on hand, \$2,953.90. Total, \$97,820.08. Liabilities: Paid up stock, \$21,100; instalment stock, \$72,257.34; uncompleted loans, \$1,216.95; undivided profits, \$3,136.79; bills payable, \$109. Total, \$97,820.08. The officers and trustees of the association are: Otto W. Sperling, president; O. C. Jensen, vice-president; F. S. McWilliams, secretary; C. D. Robinson, assistant secretary; McWilliams, Weller and McWilliams, attorneys; E. F. Cartier VanDissel, J. Grier Long, M. C. Dunne, Robert Weir, Thomas F. Conlan, and M. B. Connelly.

Banking Notes

The Weber Bank at Wardner, Idaho, of which John Weber is president, makes an announcement which is unique in banking circles

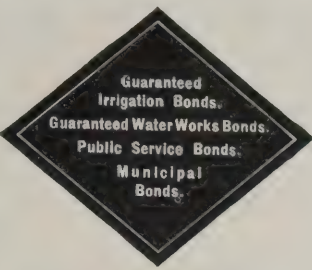
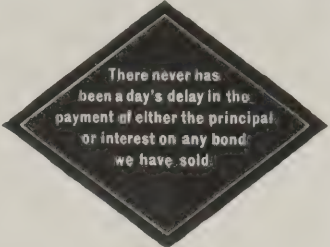


The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

OFFICERS

D. W. TWOHY, President
T. J. HUMBER, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

	J. S. & W. S. KUHN INCORPORATED INVESTMENT BANKERS First National Bank Bldg., Phone Central 6400 PITTSBURG CHICAGO PHILADELPHIA	
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in that section. It claims that not a dollar of its cash has been loaned to an officer or a stockholder in the bank during the 17 years of its existence.

The First National Bank of Coeur d'Alene, Idaho, to-day declared a 6 per cent semi-annual dividend. The last year has been the banner year of the bank's business.

C. E. Funkhouser, manager of the Washington Grain and Feed Company's offices at Palouse, Wash., has resigned to accept a position with the Creston State Bank, which is soon to open a branch exchange at Peach, Wash. Mr. Funkhouser is succeeded by A. M. Boyd of Almira.

RECOVERED FROM EQUITABLE VAULTS

New York, January 11.—Between \$300,000.00 and \$400,000.00 in cash and securities were removed intact late to-day from the vaults of two of the financial institutions whose quarters were destroyed in the fire that gutted the Equitable Life Assurance Society building Tuesday.

The vaults of the Equitable Trust Company alone yielded \$300,000.00. Many millions more were taken from the vaults of the Mercantile Trust Company. Six million dollars was represented in a single box of gold certificates, which an officer in the institution carried through the streets tucked under an arm, with only a lone policeman to protect him. There remains to be opened the great vault of the Equitable Assurance Society, with its treasure of \$300,000,000, which was still buried so deep to-day under tons of ice-cemented debris, that the doors could not be reached.

LAWSON TO STAY AT PEOPLES STATE BANK

George E. Lawson will not leave the Peoples State Bank and go to the First National as vice-president, to take the position vacated by Emory W. Clark. It has been officially announced that the plans have been changed and Mr. Lawson will remain with the Peoples State. It is reported that the sudden death of M. W. O'Brien, and the cordial expressions of the board of directors in connection with Mr. Lawson's proposed change were the controlling reasons which caused him to remain.

THE NEW A. B. A. COMMITTEES

You will find the full list of A. B. A. committee appointments made by the administrative committee, at its New York session, in all of the other banking papers this week. The complete list with committee designations (and other interesting items) was printed in THE CHICAGO BANKER, front page, in the issue for the week ending December 23, 1911. This journal gets its A. B. A. information by "live wire" and not by bulletin.

Seattle

Seattle now has passed the point where her bank clearings may be used for unfair comparison with the next preceding year. The end came with the close of the calendar year 1911. On the face of the 1911 report the clearings showed a decrease of \$37,453,014 from 1910. Segregation of parts of the year for comparison with periods when like conditions prevailed show that without the consolidations effected in May and August, 1910, the last year doubtless would have shown a comfortable gain over the preceding year. Comparison of the last four months of 1911 with the corresponding period of 1910 shows a gain of \$6,244,469. The period selected is the one in which the number of banks in the clearing house were the same.—Pacific Banker.

MERCHANTS NATIONAL OF RALEIGH

One of the most flourishing of the banks in the South is the Merchants National of Raleigh, North Carolina. Although in existence only two and one-half years, it already had, at its last statement, deposits of \$1,499,708.25—exceeding those of any other bank in its home city, and pays dividends of 6 per cent. This enterprising institution has for its cashier, W. B. Drake, Jr., who, with the co-operation of the other officers, has brought it up to its present prosperity and high standing in the community. The Merchants National has a capital, surplus and undivided profits of \$137,388.15; and total resources of \$1,837,096.41. The officers are E. C. Duncan, president; Wm. H. Williamson and W. F. Utley, vice-presidents; W. B. Drake, Jr., cashier, and S. J. Hinsdale, assistant cashier.



W. B. DRAKE, JR.
Cashier Merchants National Bank, Raleigh, North Carolina

FROM OUT OF TOWN

F. F. Wormwood, cashier Peoples Bank and Trust Company, Rockford; Frank P. Martin, president First Trust and Savings, Watseka; Stuart Duncan, cashier La Salle State, La Salle; G. W. Boyden, vice-president Farmers State, Sheffield, and E. D. Durham, Durham Bros., Onarga, were down-state bankers who visited Chicago this week.

INDIANA BANK CASE

H. L. Arnold, chief clerk in the bank department in the office of the auditor of state, who has returned from Terre Haute, where he went to look after the affairs of the American State Bank, now closed, said the depositors of the bank would probably be paid in full, but that the stockholders would probably be compelled to stand an assessment to meet the situation. He found, he said, the total shortage to be about fifty thousand dollars. Of this approximately twenty-five thousand dollars is covered by securities put up by W. H. Taber, the president of the bank, who is held responsible for the shortage.

The Taber shortage is covered by a note signed by Taber's father, Mr. Arnold said, but after the note had been delivered to the bank, the elder Taber transferred his real estate to two daughters. Mr. Arnold believes the transfers can not stand, as the elder Taber, in turning the note over to the bank, made affidavit as to his assets at the time, which included the real estate since transferred to his daughters.

Mr. Arnold was unable to find, he said, where Taber has spent the money he took. The books of the banks were found in bad condition, especially the stock subscription and transfer record, and the department has not yet straightened them out.

BANKS CASH WARRANTS

Austin, Texas, January 9.—With the near approach of the time when the state will be again on a cash basis the banks here and also over the state are cashing state warrants without any discount, according to information received by the state treasury department.

For the past several months the comptroller has been forced to issue each individual warrant for the employees of the state eleemosynary institutions, due to the fact that some of the employees had to discount their warrants, while others could afford to wait until the state had the money.

Several of the banks over the state have advised that they will cash all such warrants without discount, so it is now possible to make for the entire pay-roll of an institution, and the pay-roll sent to the bank where such institution is situated, and the employees to go there and get their monthly salaries.

The Manchester (S. D.) State Bank has changed hands, John Glen and son Henry being the new proprietors.

JOHN McHUGH - President
JOHN J. LARGE - V.-Pres.
W. L. MONTGOMERY, V.-Pres.
HENRY G. WEARE - V.-Pres.
F. A. McCORNACK - V.-Pres.
H. A. GOOCH - Cashier
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THE FIRST NATIONAL BANK

SIoux CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
BUSINESS AND OFFER
YOU EXCEPTIONAL
FACILITIES. CORRE-
SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

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PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
Collections and Bank Accounts

Largest Bank in Clinton
County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITORY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
33 years of continuous conservative and successful banking

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BENT C. FERDIN, Cashier A. R. SMOUSE, Auditor

Reserve Agents for National Banks

Des Moines, January 10.—Homer A. Miller, president of the Iowa National of Des Moines, in his summary for the month of December, declares that the year 1911, was a good one on the whole. He does not expect a business boom in 1912, however. This monthly survey has become quite popular with Iowa bankers. Among other things, it says "the final summing up of the figures on basic conditions for the year 1911 will disclose the fact that the year, taken as a whole, with the averages of previous years, was in reality a very good one for business. Considerably less active, but comparing favorably with 1910, it will go down in history as a business year slightly above the average. Too much should not be expected of 1912. There are many things to hamper it, and although business has recovered from the stagnation it suffered during the summer months the presidential election, the tariff agitation, the trust investigations and the prospective labor troubles will all tend against a record making business for 1912. Conditions are sound, but a business boom could not be expected."

Banks Aid School Board

The banks of Des Moines have come to the rescue of the Des Moines school board, which had found difficulty in paying the interest on outstanding bonds because of injunction proceedings which stopped the levying of a tax for that purpose. The injunction was issued on a showing that the board had not conformed in every way with the law as to the tax levy. The banks, according to School Treasurer John Hogan, who is cashier of the German Savings Bank, will accept 6 per cent warrants, and in return will furnish the \$80,000 required for the interest. The warrants, Mr. Hogan says, are good investments, and he anticipates little difficulty in their disposal. If the banks should quit taking them before the first of April, 1913, when taxes for that purpose will be due, Mr. Hogan suggests appealing to the wealthy people of the city.

Review of Iowa Banks for 1911

Frank E. Roberts, chief state bank examiner, has written a statement of the work of the department during the past year, that is of especial value in showing of facts. He shows that there are in Iowa 1,665 banks, of which 1,007 are under the control of the state auditor. During 1911 there were 33 new banks established, 25 renewed their charters, 10 liquidated. There have been no bank failures of the institutions under state supervision since November, 1907. The annual fees paid to the state department total \$20,099.70, and the salaries paid out of this fund total \$15,008.70 leaving a balance of \$5,091 turned over to the state as revenue. During the year there were 1,085 examinations. The total number of reports handled, mailed and checked runs into the thousands. Mr. Rob-

erts in concluding shows that the banks of the state are at present in better condition than ever before. Each of the five state bank examiners will have 200 banks to examine in 1912. This is too many, but the law limits the number of examiners that may be employed to six, and one of these is kept busy supervising the remainder. Mr. Roberts points out the importance of amending the statute in this respect.

Condition of National Banks

The abstract of the condition of the national banks of Iowa outside of the reserve cities following the response to the call issued for December 5th shows the average reserve held at 15.93 per cent as compared to 15.78 per cent on September 1st. Loans and discounts increased from \$95,619,468 to \$97,716,771. Gold coin from \$2,308,412 to \$2,463,218.

More About the Tax Ferret

The controversy at Waterloo, which resulted in suits started to enjoin the county officials from spreading taxes levied in accordance with the reports of Tax Ferret McCoy has taken a new turn. The county treasurer has now brought suit to collect from three capitalists several thousand dollars, which plaintiff claims was discovered by the tax ferret and "fraudulently concealed" prior to that time. Thus the suits are now working both ways. And this in spite of the fact that Iowa has a law making the tax ferret illegal.

New Law Troublesome

The new law on moneys and credits enacted by the last legislature is causing some little annoyance to the assessors who have started out in Iowa on their biennial roundup. Under the old law the assessor took 25 per cent of the total as assessable value, and now money is taxed on a flat rate. The old law provided for 90 mill tax on a fourth valuation of 2.3 per cent, while now it is \$5 per \$1,000, or one-half of 1 per cent. This is a big reduction, and it was enacted by the legislature because it was discovered that many people were leaving Iowa on account of what they considered an excessive tax along this line.

Bank Meetings Held in Des Moines

The bank meetings have been held in Des Moines this week. The nationals met Tuesday, and most of the savings banks met the following day. There were few changes. The Central State, which met last week, voted to increase its surplus from \$40,000 to \$118,000. A semiannual 5 per cent dividend was declared. The Iowa Trust and Savings also met last week, paid its usual dividend and set aside a 10 per cent surplus. Old officers and directors were re-elected in both cases.

Death of Capt. Warren

Capt. John H. Warren, pioneer banker at Oskaloosa, died suddenly, December 30th, while seated at a table telling anecdotes to

Overly, N. D.—The First National Bank here has changed from a national to a state bank, and will be known as the Farmers and Merchants Bank.

some friends, who had gathered to help him celebrate his eightieth birthday. Capt Warren was one of the best known of Iowa financiers, and was active in business affairs some years ago. He had been in excellent health apparently a few moments prior to his sudden illness.

Will Serve Another Term

George L. Dobson, county treasurer of Polk county, has announced his candidacy for another term. Mr. Dobson claims to have fathered the bill, which forces Iowa public officials to place the public money at interest. He avers in his announcement for another term that Polk county is now getting \$8,000 interest annually from the county funds that it never got before he became treasurer. Mr. Dobson has also been an active advocate of a law abolishing the office of school treasurer and turning the duties over to the county treasurer.

Secretary Hall Issues Letters of Warning

Secretary P. W. Hall of the Iowa Bankers Association has issued a letter warning Iowa bankers against the following: A. H. Woods, alias H. Clark, aged 35, who has been drawing drafts on "Southern Land and Investment Company of St. Louis," securing endorsements of hotel keepers; Jos. Fowler, aged 48, all around crook and forger; E. B. Roan, alias F. L. Fullen, aged 25, dangerous forger; L. M. Moss, claims to be printer. Unknown man, aged 50, with one eye and crippled in left arm.

Burglary Insurance

Along with the warning, Secretary Hall has issued a statement on protective work in which he urges the members of the association to write burglary insurance and fidelity bonds through the association so as to obtain funds for the protective work of the order. Another statement explains the universal numerical system adopted and recommended by the members of the association at the Mason City convention last summer.

Atlantic National Will Soon Have New Building

The fine new building of the Atlantic National is nearing completion, and will shortly be occupied. The structure will be a distinct credit to itself and to Atlantic. It is built of hardened building blocks and terra cotta, one story in height, with high ceiling and row of high windows that give it plenty of light. The interior finish is mahogany with birch for basic wood, tile floors, modern counters, and private rooms for the convenience of officials and patrons.

Wealth per Capita

Secretary Bolton of the Greater Des Moines committee has been doing some figuring on per capita wealth of Iowa. He places it at about \$4,200. The farm land increase as shown by this figure has been about 103 per cent in the past ten years. He figures that city and town property has increased at the same ratio. Hence his per capita valuation of over \$4,000.

Mechanics Savings To Have New Building

Gilger E. MacKinnon, president of the Mechanics Savings, Des Moines, is preparing to start work on the new bank building May 1st. Plans are now being drawn and the structure will be strictly for business purposes.

Cook Resigns

S. B. Cook, well known for years as the cashier of the Muscatine State, has resigned. B. S. Alnutt has been elected his successor. Mr. Alnutt came to Muscatine from Excelsior Springs, Mo., in August, 1910, to be assistant cashier. Mr. Cook has been connected with

the Cook-Musser Co. since it was first organized, forty years ago. He proposes to retire and rest.

Banking Notes

The Home Savings, Des Moines, has filed suit in district court to mandamus the city council into paying the institution tax assessed by the city on \$32,675 in 1902. The assessment has been before the highest courts in the country and the bank was declared winner. It now wants the fruits of its victory.

Frank Cook, president of the First National at Marengo, is recovering from a severe attack of typhoid fever.

President Dawson of the First National at Atalissa gave the address at the dedication of the fine new high school building at the town.

Fort Dodge newspapers state that the two local savings banks have paid out in interest in 1911 over \$18,000, which is much in excess of the amount paid on savings accounts for the preceding year.

Capitalists from Garner and Titonka have organized a new bank at Woden. The capital stock will be \$15,000. The institution will erect a new \$4,000 bank building this next summer. A. C. Ripley of Garner, well known member of the Iowa legislature, will be president; James Hansen will be vice-president, and J. J. Cosgrove, cashier.

Roy Alber, son of Fred Alber of the Iowa banking department, was robbed by two men who stopped a team of horses he was driving, after taking a party bob sleigh riding. The young man was knocked unconscious, and was found several hours later by passersby. His pockets were turned inside out, but he was not deprived of a great amount of money. It was several days before he was able to return to duty at the state house.

G. D. Ellyson, formerly president of the Commercial Savings, who has been at Colorado Springs for his health, returned to Des Moines last week, for two weeks before starting to Hot Springs and St. Augustine.

The postoffice savings bank at Alton has been having hard luck. It had one depositor for several weeks, but last week he withdrew his deposit and at this writing, it hasn't any.

T. C. Lundy has been elected cashier of the Peoples Savings at Bayard, succeeding W. H. Strauser.

George Freeman has been elected assistant cashier of the First National of Emmetsburg to succeed Leo Streater.

Cashier Harry Blackburn, Iowa National, who has been laid up with a broken leg following an automobile accident, has been able to be at the bank a portion of the time the past few days.

A fourth bank is to be started at Manchester. It will be capitalized at \$50,000. It will be known as the "Farmers and Merchants State." Officers will be announced later.

Arthur Reynolds, president of the Des Moines National has gone with his family to Pasadena, Cal., to spend the remainder of the winter.

J. H. Lowry has disposed of his interests in the Pomeroy State.

The Clarinda National at Clarinda has offered a cash prize for Page county boys who will grow alfalfa. The institution wishes to get this crop started in Iowa.

The First National of Corydon has applied for permission to organize. The capital stock is given at \$175,000. Organizers are C. W. Steele, L. Kimple, C. L. Clark, F. R. Fry, and F. B. Fry.

Sioux City

By JOHN J. BIDDISON.

Six banks elected officers in Sioux City Tuesday, and only three minor changes all told were made. Craig Van Dyke was elected to the directorship in the Live Stock National vacated by the resignation and removal of Walter P. Dickey, formerly cashier. Frank B. Buckwalter took the place on the board of the First National vacated by the death of H. A. Jandt, and Philip Forsberg was elected to take the place of Herman Galinsky, who resigned from the board of the American Savings. A rumor that of course is baseless has it that there would have been no election to fill the First National vacancy but for the fact that the board as constituted number the unlucky thirteen. All officers and directors except those noted were re-elected. The banks to hold annual meetings were the First National, Security National, Northwestern National, Live Stock National, American Savings and Woodbury County Savings.

Failed to Rob Bank

A bit of "comedy yegg" work that has been the cause of not a little amusement to those who knew of it was uncovered this week by the confession of Art Shoan, a neighboring Nebraska farmer, that he was a party to the three burglaries of the South Sioux City Bank last summer, all of which were unsuccessful. He has been held to the grand jury, as has also Bill Cornwall, who, maintaining silence and confessing innocence, is considered to be the real "bad man" of the pair. According to Shoan, the first borrowed a crowbar, then a team of horses and then a wagon and, after capturing a barking little toy dog that threatened to expose them to the sleeping town constable, undertook to carry off the bank safe and dump it in a convenient hiding place, expecting it to open of its own accord by "time lock" in the morning. Their plans fell through because their operations with the crowbar only served to tip over the safe into such a position that they could not get it into the wagon they had waiting in front. They became frightened and "beat it." They had made two previous entrances of the banking room but never got away with more than a few pennies.

Banking News Notes

The Meade County Bank, of Sturgis, S. D., has closed its doors and suspended payment. Following an investigation, State Examiner Wingfield gave out a statement that the net cash assets amount to \$855,000, the liabilities to \$791,000 and the net cash balance \$64,000. He was of the opinion that depositors would be paid in full.

A sequel to the suspension of the Meade County Bank is the incorporation of a new institution known as the American Exchange Bank; capital, \$25,000. The incorporators are Joseph Meyer, Henry S. Burch and Jas. McNenny. E. Franklin, president of the First National of Deadwood, S. D., is authority for the statement that he, together with New York, Chicago, St. Paul and Sioux City associates, will open a bank in Sturgis next month. It also will be capitalized at \$25,000.

The Iowa Savings Bank, of Estherville, Ia., has elected the following officers at its annual meeting: F. W. Converse, president; Mack J. Groves, vice-president; W. W. Waker, cashier; V. A. Combs, assistant cashier. F. F. Hartung resigned as vice-president on account of moving West. The bank declared a 10 per cent dividend.

Among the Visiting Bankers

T. A. Olcott, cashier of the Bank of Ashton, Ia., was in Sioux City Tuesday on his way

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A Strictly Commercial Bank

IRVING NATIONAL EXCHANGE BANK

A Decade of Growth—Comparative

United States	1900	1910	Per Cent Increase
Population.....	75,994,000	91,972,000	21%
Wealth.....	\$88,517,000,000	\$125,000,000,000	41%
Money Circulation.....	2,055,000,000	3,180,000,000	54%
Savings Bank Deposits.....	2,389,000,000	4,070,486,000	70%
National Bank Deposits.....	2,458,000,000	5,287,216,000	115%
Bank Clearings, U. S.....	84,582,000,000	158,559,487,000	87%
Bank Clearings, N. Y.....	51,964,000,000	99,257,662,000	91%

Irving National Exchange Bank

	1900	1910	Per Cent Increase
Capital.....	\$ 300,000	2,000,000	566%
Surplus and Profits.....	100,900	1,797,900	1681%
Deposits.....	3,446,500	28,360,200	722%
Assets.....	4,108,800	33,347,200	711%

OFFICERS

LEWIS E. PIERSON, President
 JAMES E. NICHOLS, V.-Pres. ROLLIN P. GRANT, V.-Pres. BENJ. F. WERNER, V.-Pres.
 DAVID H. G. PENNY, Asst. Cash. HARRY E. WARD, Cash. J. FRANKLYN BOUKER, Asst. Cash.
 RICHARD J. FAUST, Jr., Asst. Cash.

West Broadway and Chambers St.

NEW YORK

to New Orleans, after which he expects to go to southern California for about a month.

Herman Fortin, cashier of the Farmers Bank of Salix, Ia., was in Sioux City on business Wednesday.

W. T. McConnell, president of the First National Bank of Wessington Springs, S. D., was in Sioux City Wednesday. Mr. McConnell was formerly cashier of the Western National Bank of Mitchell, S. D., and has now taken the vice-presidency of that bank with the expectation of not being active in the business, so that he may look after his outside interests.

George R. Freeman, president of the First National Bank of Elk Point, S. D., was in Sioux City Wednesday.

W. A. Schaetzel, president of the Union County Bank, Elk Point, S. D., was in Sioux City Wednesday.

E. W. Munson, national bank examiner for the state of South Dakota, paid Sioux City a short visit last Wednesday evening.

C. J. O'Connor, president of the Homer State Bank, of Homer, Neb., was transacting business in Sioux City Friday.

J. H. Holmes, vice-president of the Dakota National Bank, Aberdeen, S. D., was in Sioux City Monday.

STATE DEPOSITS IN BANKS

California has \$8,000,000 outstanding in 185 banks in the state, according to State Treasurer Roberts, and this money is drawing at the rate of 2 per cent per annum under the law which permits the state treasurer to loan state funds which lie in certain sinking funds to banks at that interest when secured by sufficient bonds or other good securities. This is the largest amount ever loaned during one year in the history of the state.

UNION TRUST COMPANY ELECTION

At the meeting of the board of trustees of the Union Trust Company of New York, held last week, Henry M. Popham, who, since 1903, has been assistant secretary of the company, was promoted to the office of secretary, succeeding John V. B. Thayer. Mr. Thayer, who has, heretofore, been second vice-president and secretary, will continue to occupy the position of vice-president.

DIFFICULTIES IN TAXATION OF INTANGIBLE PROPERTY

(Continued from page 18)

the law requires an unreasonable and an impossible thing. It is unreasonable to attempt to take as a tax so large a part of the income; it is impossible to tax successfully at high rates that which is so easily concealed as are cash, credits and securities.

The International Tax Association, whose membership is composed of tax officials, economists and private citizens from all parts of the country, and which holds each year a conference participated in by 150 or more of these persons, appointed a committee at its meeting in 1909 to investigate and report a year later as to the effectiveness of the general property tax. This committee was composed of Judge Oscar Leser of the appeal tax court of Baltimore, Professor E. R. A. Seligman of Columbia University, James C. Forman, city assessor of Toronto, Nils P. Haugen of the Wisconsin tax commission, and Frederick N. Judson, chairman of the special tax commission (1906) of Missouri. The report of this very able committee was made to the international tax conference at Milwaukee in September, 1910, and the conference in its action upon the report adopted the following resolutions:

1. Whereas, A committee was appointed under a resolution adopted at the Louisville

conference to inquire into the causes of the failure of the general property tax,

Resolved, That the conference indorses the conclusions of the said committee and finds that the general property tax, under the higher rates of taxation caused by the increase of public expenditures in the United States, has broken down in so far as it applies to personal property; and

Resolved, That this conference finds that the taxation of personal property has not been more successful under strict administration than under lax; that states which have modified or abandoned the general property tax show no intention of returning to it; and that in states where the general property tax is required by constitutional provisions, there is a growing demand for the repeal of such provisions; and

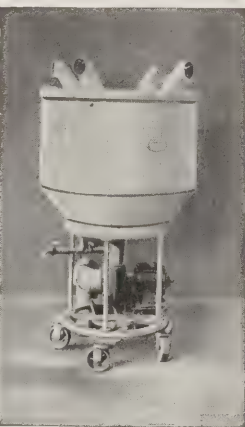
Resolved, That the failure of the general property tax, in its application to personal property, is due to the inherent defects of its theory; that even reasonably fair and effective administration is unattainable; and that attempts to strengthen such administration simply accentuate the inequalities and unjust operation of the system.

These conclusions thus put on record cannot fairly be taken to be the conclusions of the uninformed nor of those whose desire is to assist in tax dodging. They ought rather to carry conviction as being the judgment of intelligent and single-minded students of taxation who are searching for sound principles and administrative possibilities.

BIG NICARAGUA BANK CHARTERED

Hartford, Conn.—The National Bank of Nicaragua, incorporated, has filed a certificate of incorporation with the secretary of state. By the provisions of the certificate the company has the right to be and to act as the fiscal and disbursing agent of the republic of Nicaragua and to be the depository of the government funds of the republic to put into effect and maintain a plan for a currency system and to coin money. The capital stock authorized is \$5,000,000 and the incorporators are James Brown and Frederick Strauss of New York and Thatcher M. Brown of Locust, N. J. The institution will not have the power to transact any banking business in Connecticut.

The new bank at Halliday, N. D., expects to open for business soon.



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Washed Air
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Sterling Air Cooler
and Purifier**

Gives the class atmosphere and dignity necessary to harmonize with the architectural surroundings.

We have designed a self-contained portable air cooler and washer in capacities from 200-2000 C. F. M., mounted on rubber shod wheels, and of attractive appearance, to allow of operation in the main banking room.

Apparatus shipped complete including fan, motor (10-1.0 H. P.), washing chamber and auxiliaries, ready for operation, you to make service connections only.

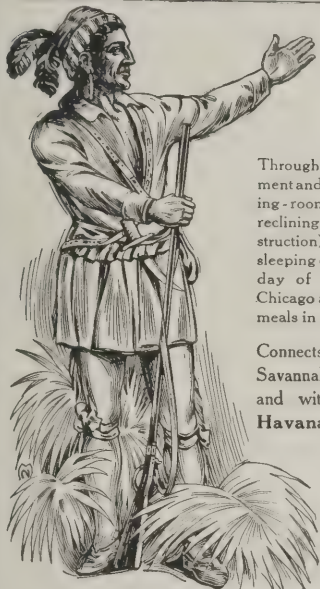
Apparatus provided with outlet nozzles to throw air in all directions, thus eliminating duct work, etc.

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Connects at Columbus with through sleeping cars to and from Savannah; also at Jacksonville for all points in Florida and with trains making steamship connections for Havana, Cuba, via Knights Key or Port Tampa.

Information about winter tourist fares, homeseekers' fares on 1st and 3d Tuesday of the month, reservations and tickets at

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HOUGHTON-MIFFLIN ANNOUNCEMENTS, 1912

The name of Marks seems to be a talisman of success for Americans entering British prize-play competitions, judging from the results of the last two years. The famous Stratford Competition for a prize of \$1,500 was awarded to "The Piper," written by Mrs. Lionel Marks, writing under her maiden name of Josephine Preston Peabody. Now in the Welsh prize-play competition, instituted by Lord Howard de Walden, another American, Miss Jeannette Marks, has come out with honors. For her two one-act Welsh plays, "The Cuckoo" and "A Welsh Honeymoon," she was awarded a prize of \$100. Miss Marks has made Wales her own through her two volumes of Welsh stories entitled, "The End of a Song" and "Through Welsh Doorways," which have met with a very favorable reception.

Enos A. Mills, of Estes Park, Colorado, author of "The Spell of the Rockies" and "Wild Life on the Rockies," will speak on "National Parks" before the Appalachian Mountain Club of Boston on January 3d.

Professor Hiram Bingham, whose previous explorations in South America were described in his recently published book, "Across South America," returned last week from his latest trip as the head of the Yale Peruvian Expedition. He discovered Pre-Inca palaces of beautifully cut white granite which he believes no white man has seen since the days of Pizarro. These palaces or temples were three-windowed, and the stones carved in Egyptian style. On October 14th, Professor Bingham succeeded in reaching the summit of Corupuna, the second highest mountain in South America, which as far as he knows, had never been climbed before.

An English edition of A. Maurice Low's "The American People: A Study in National Psychology," the second volume of which Houghton-Mifflin Company brought out a few weeks ago, will be issued early in January by T. Fisher Unwin of London. A German edition will be issued by Morawe & Scheffelt, of Berlin, as soon as the necessary translation can be made.

The practical annexation by Russia last week of the vast province of Mongolia lends a fresh interest to the recent book by Lindon Bates, Jr., on "The Russian Road to China." Mr. Bates gives an interesting account of a journey across Mongolia, following the old Post-Road, and fully describes Urga, the Holy City of Mongolia, the "City of the Reborn God." He found that Mongolia was already much more Russian than Chinese, and foresaw that it would be only a short time before it would actually become a part of Russia. This would make possible the Trans-Mongolia Railroad along the old trade-route, opening to the plainsmen of Central Asia a prospect of civilization and advance, and giving to the world the best of the great Asian trade-routes. "For America," Mr. Bates believes, "the road will open a commercial highway into the very heart of a new and expanding empire. American rails may carry American cars—those ever-moving shuttles which weave the woof of trade. American woolens and felts may protect the Siberians against their Arctic cold. American machinery mine and refine their gold. New England cottons, utilizing the Panama Canal, may clothe the myriad coolies of interior China. Here is the mail-route of ten days from Paris to Peking, against the thirty-five days needed by the fastest ships. Here is the quickest passenger-route from London to Yokohama. All these poten-

tialities lie as the fallow heritage of the Urga Road, if beyond Kalgan it is given its avenues to China and the sea. It is civilization that must profit when the equilibrium of the East is restored, and over the old Urga Road China is relinked to the West by the trains of the great Asian Railway.

Ian Hay's latest novel, "A Safety Match," is already in its sixth thousand in this country, and in England ten thousand copies have been necessary to fill the demand.

REINHARD RESIGNS FROM SPARTA (WIS.) BANK

At the annual meeting of the stockholders of the Monroe County Bank of Sparta, Wis., J. P. R. Reinhard presented his resignation as cashier of that institution, to become effective the latter part of this month. Mr. Reinhard will leave soon for Tomah, where he will accept the position of cashier in the Warrens Bank, at a greatly increased salary, and will also become a stockholder in that institution. Mr. Reinhard came to Sparta about five years ago, and during his residence here he and his estimable family have acquired a circle of friends who will sincerely regret their departure.

SAYS BANK WILL PAY OUT

Nashville, Tenn., January 8.—William J. Cummins, convicted in New York of grand larceny in connection with the failure of the Carnegie Trust Company, but now in Nashville to clear up some of his financial matters, to-day gave out a statement in which he said the Carnegie Trust Company would pay out dollar for dollar.

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FOR SALE—Miscellaneous

1-A Reflex, focal plane shutter, Celorsix-inch lens. Cost \$34.50. Like new, \$45.00. Address, X-44, Chicago Banker.

1-A Graflex, I.C. Tessar lens, focal plane shutter (new out of stock), value, \$101.50. Sell, \$85.00 Cash. Address, X-55, Chicago Banker.

4x5 Goerz-Argo, latest model, Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$165.00, and like new, \$5.00. Address, X-66, Chicago Banker.

For Sale, 9 1/4-inch Goerz Dagor, Volule shutter, value \$97.50. Sell for \$50.00, like new. Six-inch Dagor, Koilos Shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale, Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,

407 Monadnock Block, Chicago.

CHICAGO CHAPTER NEWS

(Continued from page 19)

whether buying or selling, the bond business as now conducted is not done with listed bonds. Most of the listed issues are sold with a promise that "Application will be made to list on some exchange." The real market is among the bond houses, and the older and larger the house, the more likely is the investor, in buying from such houses, to buy a bond that is not only good but whose market will thereafter be protected.

In the classification of bonds, it may be said that for all practical purposes, the classification or name is established by business use. For instance, as bonds are bought above or below par, they are premium or discount bonds; likewise government issues sold at home or abroad are internal or external loans. Even

the very color can give us the blue bonds or brown bonds of South Carolina.

The four general and accepted schemes of classification are:

1.—According to the character of the issuing corporation.

2.—According to the character of the security of the bonds.

3.—According to the function or purpose of the issue.

4.—According to the conditions attending payment of principal and interest.

The full title of almost every bond is derived from some or all of these four, and the possible number of classes and titles of bonds is limited only by the possible combinations of names from these four schemes of classification.

The Bond Business

I think I can say that the public which does not buy bonds has but little idea of the importance and value to the community of the bond business. In round numbers, \$1,500,000,000 of American bonds are marketed every year; hence the bond business is of vast importance to the economic life of the country. As our wealth increases, the bond business increases, and it is well that our largest and strongest banking houses are prominent in this work. It brings a greater stability and assurance to every investor and aids growth of business by obtaining capital for the creation of new enterprises, or enlarging old ones in a way that twenty years ago could not have been done. By their ultra conservatism they are establishing themselves in public confidence, broadening the market and bringing together with the greatest expedition the capital necessary for municipal and industrial development.

There is a radical difference, also, between bond dealers to-day and those of twenty years ago in the matter of repurchasing securities of clients to whom they have sold them. Small houses, in some cases, still hold to the idea that a sale is a sale and that the responsibility of the house ceases upon delivery and the receipt of payment. This position is logical and just, but competition steps in to the benefit of the investor until many leading houses now say, "We make no promises, but, except in times of panic, we shall be glad to repurchase at a fair market price, the securities we have sold."

But the protective function of the bond house is most important in respect to the moral responsibility. In some instances losses have been averted or made good—interest which has been suspended is paid, while every reputable bond house may be called upon to take the active leadership in upholding the mortgage rights or other claims of the bondholders. With the organizations now handling this form of credit, the creditor class cannot help but be the gainer, if they deal with those houses having a strong personality,—strong convictions on investment matters and the capital and equipment to back them up.

I am not going to impose upon you longer, but wish to thank you for having me come before you this evening.

Close of Meeting

President Smale then called for a rising vote of thanks, to which all present responded with applause. Walter J. Johnson, vice-president of the chapter, was next called upon to speak, and accordingly delivered a lecture on the "Collection Teller and his Duties."

The amount of postal savings bonds applied for by depositors in Iowa was \$8,250.

WEST VIRGINIA BANKS

Showing a gain in deposits in state banks for the year 1911 over the year 1910 of \$3,632,361.27. State Commissioner of Banking Samuel V. Matthews has compiled a comparative aggregate bank statement of the two years past. The statements of November 10, 1910, are compared with those of December 5, 1911. On the latter date there were 189 state banks, a net increase of 10. There are nearly 100 national banks in the state, so that it is believed the total increase in deposits will reach about \$5,000,000.

Fourteen new state banks began business during the past year, while two were changed to national banks. There were two failures, the Fidelity Banking and Trust Company, of Bluefield, and the Ritchie County Bank of Harrisville. The Ritchie County Bank has arranged to pay all its claims, and the final settlement will be completed within a few days. The Fidelity is rather heavily involved and it is doubtful if it will settle in full.

The comparative statement shows total assets in 1911 of \$85,198,056.51, as compared with \$79,845,007.18 in 1910, an increase of \$5,353,049.33. Loans and discounts show a total of nearly \$60,000,000, an increase of \$4,166,268.63. Lawful money reserve is over \$3,000,000. Total capital stock paid in reaches nearly \$11,400,000, while the surplus is nearly \$6,000,000. Savings deposits are nearly \$11,500,000, an increase of \$1,301,619.96.

Statistics for the national banks in the state have not yet been compiled.

A BANK CASHIER AT 24

Four years ago George J. Gilman was catching for the Kansas City, Kan., high school baseball team. Last week he was appointed cashier of the Kansas State Bank in Kansas City, Kan. He is twenty-four years old and has been a director of the bank for more than a year.

Authority has been granted for the organization of the Commercial National Bank of El Paso, Texas. It will have a capital stock of \$100,000 and officers and directors will be elected January 9th.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 31)

come headquarters for the public service corporations of this city, and must ever remain one of the notable buildings of the city.

CHICAGO, in the death of R. T. Crane, has lost one of her most distinguished citizens. Mr. Crane was a pioneer, and one of the largest employers of labor in the West. He early became a convert to the profit-sharing doctrine, and that form of employment is in full operation in all of the plants over which Mr. Crane had control. If he had left no other, this will be a business monument to his memory.

INTERNATIONAL HARVESTER COMPANY has found it expedient to float a three-year loan at 5 per cent, for twenty millions of dollars. The general public continues to believe that much of the Harvester Company's anxiety was caused by the unfortunate adventure of Mr. Funk with Mr. Kohlsaat, in which the two stirred up a nasty political row in Illinois politics. The end is not yet in sight.

THERE is something about THE CHICAGO BANKER that fascinates. For several years I have been studying the paper and trying to extract that essence of fascination and analyze it, so far unsuccessfully unless it is that it is pure Wilkinsonism."—Coast Banker. CASHIER.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

miles on an up-keep expense of \$1.20. The second prize car ran 25,290 miles with no expense; and thus it ran down the line until James W. Stevens, president of the Illinois Life Insurance Company, of this city, whose car ran 18,960 miles with no expense, was reached. His chauffeur received a \$100 prize. Mr. Stevens is one of the largest bank stock owners in the city of Chicago.

E. ST. ELMO LEWIS, of Detroit, has had his New Orleans address on "The Saving Idea and the People" printed in pamphlet form for distribution. He has been highly complimented by numerous requests for it. Send your letter in care of the Burroughs Adding Machine Co.

LOUIS H. SCHROEDER, manager of the bond department of the Western Trust and Savings, has notified all of his customers that the bond department will be continued under the new ownership at the Central Trust Company Bank. Mr. Schroeder has built up quite a fine business, which, under the new and stronger auspices, ought to be increased materially.

GROUP 7 of the Illinois Bankers, of which Irving Shuman is chairman, will hold its annual meeting this year at Sullivan, the date to be either the 14th or 22d of February. It is the intention to make this a sort of a farmer-banker meeting, and the attendance ought to be quite large.

C. A. MORGAN (or his beautiful secretary), head of the New Orleans Clearing House Association, has written to W. G. Edens, of this city, stating: "As your photograph appears on page 16 of THE CHICAGO BANKER of the 23d, it occurred to me that the editor of that journal would like to be advised through you that the total clearings of the New Orleans Clearing House Association from January 2d to December 27th, were \$1,001,933,012.68."

THE billion dollar mark has been reached but once previously in the history of New Orleans, and that was in 1906, showing that without any especial expansion business has increased in that city. Bankers who visited the clearing house rooms during the sessions of the convention in New Orleans will have very pleasant recollections of Mr. Morgan's assistant manager. Thus far W. G. is the only real hit that was scored.

EITHER M. T. Herrick of Cleveland has been misquoted or he has very different information from that held by other bankers interested in the "back to the soil" movements. Mr. Herrick is quoted as saying that "the farmers are harassed over getting loans, and when they do get them, they are at high rates and under harsh provisions." B. F. Harris, who heads the farm movement in Illinois, has sent out an open letter touching upon this subject, expressing the belief that Mr. Herrick has been misquoted.

IT is the general belief among western bankers that the farmer is a very desirable client, and that he can borrow money easier than any other citizen of like actual responsibility. It is to be deplored that Mr. Herrick's activity has taken a direction which is inclined to create a misunderstanding in this important field.

D. H. (DAVE) McKEE, vice-president of the German Savings at Davenport, in sending out his best wishes to his friends and neighbors, enclosed a statement of his bank. It shows deposits of over ten millions, which is going some even for a prosperous little city in the prosperous state of Iowa.

FARMERS AND MECHANICS NATIONAL of Philadelphia sent out this year a very beautiful remembrance card, upon which attention is called to the fact that the Farmers and Mechanics National is one hundred and five years old this year and still is feeling strong and healthy. The officers of the Farmers and Mechanics enjoy a very wide acquaintance in the West, and never fail to remember their friends upon such occasions.

G. H. MUELLER, the new vice-president of the Fletcher-American, down at Indianapolis, has been in this city for several days making fifteen-minute talks to all of his many friends whom he could find at work. The Fletcher-American has sixteen millions in deposits, and is doing all that it can to corner the country balance business in Indiana.

R. S. HECHT, a former junior banker of this city, now is trust officer of the Hibernia at New Orleans. The Hibernia gets out one of the handsomest bond circulars to be found on any of the tables. It is full of accurate descriptions of first-class securities, and the prices are about as usual.

THE Oklahoma Stockyards National has closed a very prosperous year with the profits running something like \$75,000. This has been done on a capital of \$250,000, and might be considered for any other locality, a very remarkable showing. In fifteen months this bank has loaned something like four millions to cattle men of Oklahoma and Texas without the loss of one dollar.

THIS bank began business at the new packing plant in Oklahoma City on October 1, 1910. T. P. Martin, Jr., is the president; E. F. Bisby is vice-president and E. J. Litteer, senior assistant cashier. This bank has made this great success without once invading the regular banking field of Oklahoma City or of the state. It simply attends to the business which it was created to care for, and which it must thoroughly understand.

L. E. A. MORGAN, cashier of the German National at Beloit, has remembered this department with a very handsome calendar.

SECURITY SAVINGS at Cedar Rapids has deposits of \$1,804,343.83. This prosperous institution pays 4 per cent on savings, compounded twice a year. E. R. Scott is the president; J. R. Amidon and C. D. VanVechten are the vice-presidents; Frank Filip is the cashier.

A CHICAGO scalper in theatre tickets has gone into bankruptcy. As soon as the profits began to fall below \$300 per day, this enterprising gentleman "quit." Rumor has it that he also "stung" a number of the downtown theatres, for which no one will be very sorry. Scalpers in theatrical tickets are not popular favorites.

NOTHING has been done as yet about appointing a committee to look after new banking legislation in the state by the Illinois Bankers Association. At the Springfield convention the recommendation of the committee on resolutions decided that we should have a separate banking department at Springfield. A great many bankers feel that something should be done to put banking under better supervision and control throughout the state. Rumor has it that the executive council at its January meeting will take up the subject and decide what should be done.

IT is not the intention of anyone who has expressed himself to try to "legislate the private bankers out of business," but on the contrary, the expectation is that they could be legislated into much new and more profitable business, just as they have been in Wisconsin, Indiana, Michigan, Minnesota and other states.

WE have received from down state information that J. D. Phillips, the esteemed vice-president of the Illinois Bankers Association, has not given up his activity in church and Sunday school work. Mr. Phillips is a very active man. He is a leading farmer and leading banker, a politician of note and a church worker, all combined with a species of good fellowship that makes him welcome wherever he goes.

WHEN L. E. Stevens began to be president of the Century Savings at Des Moines, he was the acting president of the Iowa Bankers Association. He had friends in every part of the state. To these he wrote letters, asking them to try to influence any friends they had in Des Moines to open an account in his bank. That he was successful beyond the ordinary is shown by the fact that under his management the Century Savings, which is not a new bank, has increased its deposits more than 70 per cent. If the plan adopted by Mr. Stevens is to be judged by results, it was a hit.

SEATTLE NATIONAL leads in clearings, all the other sixteen banks in that city for 1911. The figures have been compiled by E. W. Brownell, manager of the clearing house, and show a total volume of exchanges of five hundred and fifty-three millions. Of this amount the Seattle National contributed one hundred and thirty-nine millions, its next nearest competitor being just above one hundred millions. Other statistics contributed by Mr. Brownell show that the banking year in Seattle was very prosperous.

SEATTLE AD. CLUB has been holding a series of "optimism" dinners in Seattle, to which are invited the leading business and professional men of the city. It is expected that under the auspices of these active spirits the city of Seattle will take on a new boom period.

"CHICAGO DAILY NEWS" is authority for the statement that among the 750 democrats who attended the Jackson Day banquet at Washington City, Governor Woodrow Wilson of New Jersey easily was the central figure. The assemblage included all of the prominent democratic candidates for president, and all of those who have been on the presidential ticket within recent years. The victory of Baltimore over other competing cities for the honor of holding the next democratic convention also was considered a victory for Wilson.

WHEN Mr. Reynolds had concluded his world record in bank consolidations, some of the more conservative financiers shook their heads gravely at the two large banking and office building properties thereby brought into one control. It did seem like a huge undertaking, but the problem, if ever it was one, has solved itself.

A MERICAN TRUST building was disposed of, at quite a handsome profit, to the Fort Dearborn interests, and this week the Commercial National building was disposed of to the Edison Electric Company at a profit of 30 per cent to the stockholders. All of this goes to show that good buildings in good locations in Chicago keep pace with the growth of the city and have a ready sale value such as property in other cities rarely attains.

CONTINENTAL AND COMMERCIAL banks will continue to occupy the Commercial National building for two years, or until their new building covering an entire block on LaSalle Street has been constructed. After that the Commercial National will be—
(Continued on page 30)

ALL BRANCHES OF BANKING



1857

1912

ORSON SMITH	President	P. C. PETERSON	Assistant Cashier
EDMUND D. HULBERT	Vice-President	C. E. ESTES	Assistant Cashier
FRANK G. NELSON	Vice-President	LEON L. LOEHR	Sec'y and Trust Officer
JOHN E. BLUNT, Jr.	Vice-President	F. W. THOMPSON	Mgr. Farm Loan Dep't
J. G. ORCHARD	Cashier	H. G. P. DEANS	Mgr. Foreign Dep't

CAPITAL AND SURPLUS - \$9,000,000



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

THE NATIONAL CITY BANK OF CHICAGO

Capital, Surplus and Undivided Profits \$ 2,500,000.00
Resources - - - - 29,300,000.00

OFFICERS

ALFRED L. BAKER	DAVID R. FORGAN, President	HENRY MEYER	Assistant Cashier
H. E. OTTE	Vice-President	A. W. MORTON	Assistant Cashier
F. A. CRANDALL	Vice-President	WM. N. JARNAGIN	Assistant Cashier
L. H. GRIMME	Cashier	WALKER G. McLAURY	Assistant Cashier
W. T. PERKINS	Assistant Cashier	R. U. LANSING	Manager Bond Dept.
W. D. DICKEY	Assistant Cashier	M. K. BAKER	Asst. Manager Bond Dept.

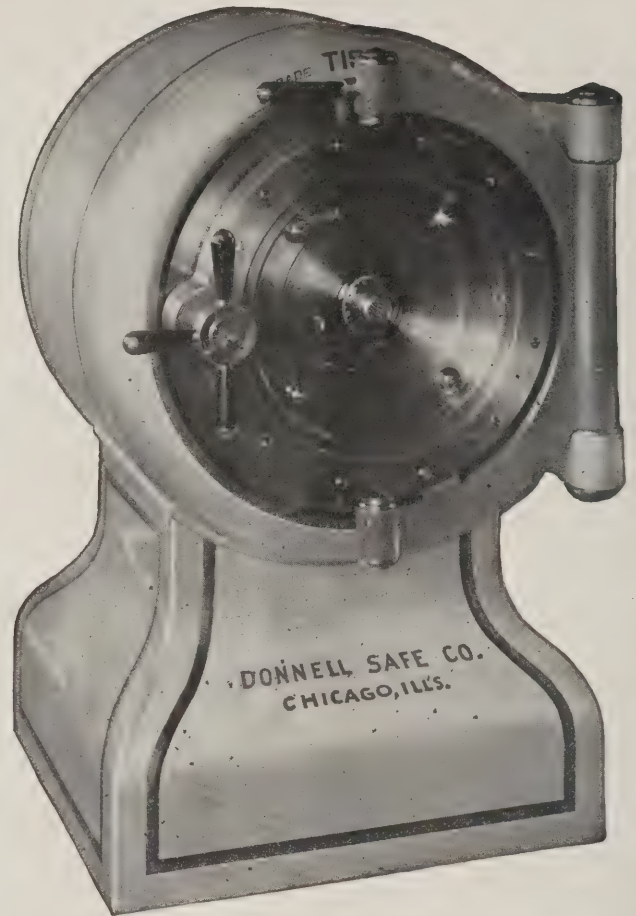
Fourth Street National Bank OF PHILADELPHIA

Capital - - \$3,000,000.00
Surplus and Profits 650,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board	FRANK G. ROGERS, Vice-President
E. F. SHANBACKER, President	R. J. CLARK, Cashier
JAMES HAY, Vice-President	W. A. BULKLEY, Assistant Cashier
B. M. FAIRES, Vice-President	W. K. HARDT, Assistant Cashier

Donnell Safe Co.



General Western Agents for the York Safe & Lock Co., who have the best-equipped safe factory in America. Their Manganese safes are superior to any in the market. We sell these safes subject to a test against any Manganese safe made and will guarantee all our work equal, if not superior, to any made. We can refer you to any banker in Chicago. We carry the largest stock of bank safes in Chicago. Burglar vault doors, vault linings, burglar safes that have been used always on hand. A large lot of second-hand deposit boxes that are modern and good as new.

227-229 Washington St., Chicago, Illinois

The Girard National Bank OF PHILADELPHIA

Capital - - \$2,000,000.00
Surplus and Profits 4,585,000.00
Deposits - - 40,000,000.00

FRANCIS B. REEVES, President

RICHARD L. AUSTIN
Vice-President

JOSEPH WAYNE, Jr.
Cashier

THEO. E. WIEDERSHEIM
Second Vice-President

CHARLES M. ASHTON
Asst. Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

JANUARY 20, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

William B. Joyce

The distinguished and active president of the National Surety Company, William B. Joyce, has at last succeeded in securing control of the Empire State Surety Company. Mr. Joyce will name six of the new directors in February, and immediate changes in the official staff of the Empire will be announced. At present it has a capital of \$500,000, but this will be enlarged at once, if necessary. The Empire was organized in 1901; W. M. Tomlins has been its president since 1905. Recently it has restricted itself to fidelity, surety, and burglary business, other lines not having been profitable. While the charter of the Empire permits a general surety business to be conducted, there is no immediate prospect of a change in the policy of the company.

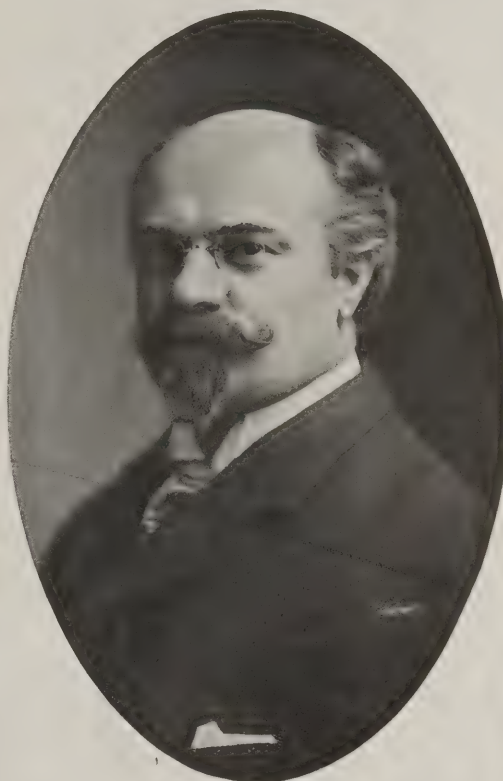
EXECUTIVE COUNCIL MEETING CALLED

Chairman S. B. Montgomery of Quincy has called the mid-year meeting of the executive council of the Illinois Bankers Association to meet in Chicago on January 24th. The conference will take place in the English room of the Blackstone Hotel at 2:30 P. M. It is expected that the meeting will last through the remainder of the afternoon. Immediately after the adjournment dinner will be served in the ball room of the same hotel at 6:30 P. M. Chairman Montgomery was careful to give notice that invitations to the dinner are extended to all of the officials of the association, including the committeemen, and that the function will be informal.

Among the important matters to be brought up is one to be proposed by President B. F. Harris of Champaign. He expects to lay before the council an important resolution that was passed at the recent Springfield state convention. This resolution calls for the appointment of a committee to draft a bill giving Illinois a separate and complete banking department, such as is enjoyed by nearly all the other states of the Union. The many advantages of a separate banking department are really too well known to require mention. The one objection urged against the passing of such a bill is that brought up by the private bankers of the state, who fear that any legislation proposed may be amended in such a way as to put their banks under state supervision and inspection. To them any talk of bank legislation is worse than a smallpox scare. They appear even to be afraid to discuss the matter openly. It was not the intention of the committee on resolutions, nor is it the intention of the organized bankers of the state, to take advantage of the situation. All they want is a well organized, properly constituted state banking department, with such powers and authority as have been delegated to similar departments in Missouri, Michigan, Indiana, Minnesota, Pennsylvania, New York, and other states too numerous to mention.

W. E. Stone, vice-president and cashier of the First National of Peoria, was in the city, and left for Panama with the Illinois manufacturers.

Two of the Newest Vice-Presidents



G. B. Caldwell (to the right) was an Indiana banker until Chicago discovered him. He is an expert bond man and is in full charge of the bond interests of the allied Continental and Commercial Bank and Trust Companies. These interests will still be his chief care, and his modest title as "Bond Manager" will survive even in face of the more pretentious "Vice-President." To any unacquainted with Messrs. Caldwell and Schroeder, two new potential friends are in waiting—"Come in!"

W. G. Schroeder (to the left) has been for years an important member of the Continental, and of the Continental and Commercial National forces. He is a three-star transit man, and was cashier of the Continental until laid up by a serious railroad accident. Sheer pluck pulled him through and he "came back" as secretary of the present monster bank. Now he is vice-president and entitled to sit among the elect, where really he belongs.



Planning for Regular Examinations

Comptroller Murray has sent out a new order fixing regular periods for the examination of national banks. He has abolished what has been known as a list of banks overdue for examination, and hereafter extra help will be employed, so that the examination of banks will not be delayed. This will bring the business of the office up to date, and make it considerably more regular than it has been in the past.

CHICAGO MONEY MARKET

Following is a summary of money market conditions, by Vice-President August Blum, of the First National: "The principal feature in the banking position at the present time is the rise in deposits, particularly from country banks. On the other hand, there is a liberal demand for banking accommodations and increased rates for commercial paper over

those hitherto obtained. Banks have been liberal buyers around 4 per cent. The general outlook is encouraging. Profits as compared with the same period last year show a handsome increase."

John V. Farwell

Chicago's distinguished merchant, John V. Farwell, has given out an interview in New York, in which he has pointed out from a business man's standpoint the best features of the banking reform bill prepared by the National Monetary Commission. He believes that the passage of this bill would stimulate business at once. He has full confidence in the integrity and fidelity with which the commission went about the preparation of the bill, and believes that they have absolutely eliminated anything like corporate or individual control of the association. The National Citizens League, of which Mr. Farwell is president, has not endorsed the Monetary Commission bill, but is in favor of it, or a bill something like it, as a measure of relief to present conditions.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS	President
RALPH VAN VECHTEN	Vice-President
ALEX. ROBERTSON	Vice-President
HERMAN WALDECK	Vice-President
JOHN C. CRAFT	Vice-President
JAMES R. CHAPMAN	Vice-President
WM. T. BRUCKNER	Vice-President
WM. G. SCHROEDER	Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH	Cashier
HARVEY C. VERNON	Assistant Cashier
GEO. B. SMITH	Assistant Cashier
WILBER HATTERY	Assistant Cashier
H. ERSKINE SMITH	Assistant Cashier
JOHN R. WASHBURN	Assistant Cashier
WILSON W. LAMPERT	Assistant Cashier
DAN NORMAN	Assistant Cashier
FRANK L. SHEPARD	Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$500,000

JOHN JAY ABBOTT
Vice-President

GEO. B. CALDWELL
Vice-President

Officers
GEORGE M. REYNOLDS, President
CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOFF
Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY

Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
Circulars on application

105 South La Salle Street

CHICAGO



OLD COLONY TRUST AND SAVINGS BANK

Old Colony Building

CHICAGO

Capital and Surplus
\$250,000.00

THAD. H. HOWE - President
RALPH C. WILSON - Vice-President and Cashier

Special terms for inactive balances

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital	-	\$2,000,000
Surplus	-	500,000
Deposits	-	24,000,000

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
THOMAS E. NEWCOMER, Asst. Cashier
HARRY LAWTON, Manager Foreign Department

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908	\$ 9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
January 7, 1911	16,736,997.29
March 7, 1911	21,574,956.79
June 7, 1911	23,137,746.88
September 1, 1911	24,500,075.82

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section We know your wants and wish to serve you

Drovers Deposit National Bank OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-eight years rendered Efficient and Quick Service to its Correspondents

Resources, Nine Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER



Mainly About Banks and Bankers

THE new trust company law in Nebraska has permitted the Lincoln Safe Deposit and Trust Company of that city to incorporate as two separate organizations. There will be the Lincoln Safe Deposit Company and the Lincoln Trust Company, the latter a new organization, which will act as administrator, executor, receiver, trustee, etc., under the new trust company law.

THE officers of the trust company will be W. E. Barkley, Jr., president; W. A. Selleck, and Don L. Love, vice-presidents; Nelson C. Brock, treasurer; and on the board of directors will be C. C. Quiggle and other strong local men. The capital of the trust company is \$50,000, and that of the safe deposit company \$25,000.

C. C. WILLIS has retired as president of the Merchants National at Vicksburg, and will act as chairman of the board of directors. W. S. Jones, who was cashier for a number of years, and in recent times vice-president, was elected to the vacancy. The new vice-president is T. W. McCoy, and H. D. Priestley is cashier. The bank has a capital of \$100,000; surplus and undivided profits \$325,000.

MR. JONES also was elected president of the Peoples Savings Bank and Loan Company, an allied institution. W. H. Fitz-Hugh is vice-president of the loan company, and R. P. Jones, secretary. This is the oldest savings bank in the state. It has a capital of \$50,000, with a surplus and undivided profits of \$125,000. It has paid dividends ever since its organization and carries deposits of three quarters of a million.

MILLIKEN NATIONAL of Decatur, at its annual election, added two new officers to the staff. They are J. P. Gorin, second vice-president, and W. A. Hammer, second assistant cashier. President O. B. Gorin and Vice-President J. M. Brownback, along with Cashier S. E. Walker, were all re-elected.

THINGS have been so prosperous down at Quincy that even the old, conservative State Savings has decided to increase its capital stock beyond its half-million. For some time the surplus has amounted to almost as much as the capital and the deposits are five and a quarter millions, putting the State Savings almost in a class by itself.

THIS big Quincy bank carries over two millions in farm mortgages, and has more than one million dollars of country bank deposits, which it has found to be a very paying department. President E. J. Parker is one of the best-known bankers in the whole country, and S. B. Montgomery, one of the vice-presidents, is chairman of the executive council of the Illinois Bankers Association. F. W. Crane, the cashier, is receiving a great deal of credit for much of the recent growth of this fine bank. The founders of the State Savings were amongst the first to induce investments of outside capital to be made in and around Quincy. All of these investments

proved to be safe and profitable and paved the way, no doubt, for the present great prosperity of the bank. Deposits are held by it from almost every state between California and Maine, and the present increase in capital is intended to prepare the way for increased usefulness in the future.

A LONG with its annual statement, President D. R. Forgan of the National City Bank sent out this year a comparative statement of business done each year during its existence. The deposit figures started with February 5, 1907, which was opening day of the new bank, and closed with December 31, 1911. The increase has been from two millions to nearly twenty-eight millions. The net profits have been \$817,000, showing an average annual return on capital of 10½ per cent. President Forgan's statement gives in detail what has been done with the earnings.

AN examination of the figures for the year 1911 shows that the National City is earning 12 per cent on its average capital, which ought to be mighty satisfactory to the stockholders considering the low going rates for money. Quite a handsome business has been built up by the bond department of the National City, which has helped swell the earnings.

DON'T forget when you have any mortgage loan business in and around Kansas City to be attended to that the Chesney of the Hutt & Chesney Mortgage Loan Company is your old friend Snelson Chesney, formerly president of the National Stockvards Bank. His firm is up-to-the-minute and has ample capital and experience to do anything that ought to be done in the loan line.

THE Yale Club of Chicago seems to corroborate some of the statements of the late R. T. Crane, who believed that we are having too many college graduates turned loose on the country. The club has established an employment bureau through which it proposes to furnish men with college training to any who may want such men in their business, and to do so without any commission or charge of any kind. The movement is deserving of attention.

UNION BANK AND TRUST of Helena has added two very powerful names to its board of directors. They are Conrad Kohrs, one of the largest live stock dealers in eastern Montana, and a big owner of real estate and business property at Deer Lodge, Helena and Missoula. The other is J. E. Bower, whose business has been the production and sale of wool and mutton, in which he had the largest business in the state.

THE officers of the Union Bank and Trust now are S. M. McKennan, president; A. P. Curtin and Frank Bogart, vice-presidents; R. O. Kaufman is cashier. The office of chairman of the board, formerly held by George L. Ramsey, seems to have been abolished.

STEPHEN APPLEBY, cashier of the Pacific National at Tacoma, on his retirement

as treasurer of the Commercial Club, which office he had held for four years, was given a banquet. He is given credit with having placed expeditiously the \$250,000 bond issue on the new Tacoma building, which is club headquarters. He also was chairman of the committee, which raised a fund of \$50,000 for publicity purposes. The attendance at the banquet included the principal business and professional men of the city as well as a number from other places.

WALTER B. RICHIE, president First National, Lima, Ohio; A. D. Graham, cashier Citizens National, Baltimore; Francis H. Richard, cashier First National, Pittsburgh; C. E. Arnt, president Citizens Bank of Michigan City; B. F. Harris, vice-president First National, Champaign; Latham T. Souther, vice-president Sangamon Loan and Trust, Springfield; N. F. Thompson, president Manufacturers National, Rockford; J. B. Green, vice-president and cashier, Gary (Ind.) Trust and Savings, and Wilson H. Doe, cashier Home National and Home Savings banks, Elgin, were banker notables who visited the financial district of Chicago on Friday of last week.

F. E. WOODARD, president Bank of Watertown, Wisconsin; Frank T. Joyner, former president of the Illinois State Trust of East St. Louis, and Ed. J. Hughes, First National of Milwaukee, were Chicago bank callers last week.

J. C. VAN RIPER, president American J. Trust, St. Louis; C. Finley Smith, president Mercantile Trust and Savings, Evansville, are bank presidents recently seen in Chicago counting rooms.

FARMERS SAVINGS at Runnells, Ia., reports a good year's business, from which in six months \$1,300 have been added to undivided profit account from earnings. This was highly satisfactory to the stockholders. The officers re-elected are F. F. Johnston, president; E. W. Hayes, vice-president, and M. B. Denny, assistant cashier.

W. W. BOWMAN, secretary for Kansas, has sent out notices that his state convention this year will be held at Topeka, and on May 23d and 24th. Mr. Bowman is among the early birds, when it comes to selecting convention dates, and always takes care that his brother secretaries have notice so that there will be no conflict in his territory.

SECRETARY P. C. KAUFMAN of Washington has offered \$200 reward for the capture of the crooks who robbed the Riverside branch of the Bank of Commerce of Everett, Wash. He gives a full description of those who participated.

FRANK C. MORTIMER, who looks after the publicity work of the First National at Berkeley, Cal., has sent out to all that bank's correspondents a neatly bound booklet containing a series of one column advertisements, used with success in the local news-

(Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank

EDWIN L. WAGNER, President
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CHICAGO

RALPH N. BALLOU, Cashier
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Promptly on all shipments to Chicago of fruits, farm and dairy produce.

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tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

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W. T. FENTON, Vice-President
O. H. SWAN, Asst. Cashier
WM. B. LAVINIA, Asst. Cashier
WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.

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This Company has wide investing experience, a permanent organization, ample capital, and highly specialized facilities for many sided service. No individual is in a position to afford as extensive protection.

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Capital, \$1,500,000 Surplus, \$1,500,000

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J. E. MAASS, Assistant Cashier
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Difficulties in Taxation of Intangible Property

PART II.

Many of the states have already recognized that the taxation of intangibles at their capital value is difficult or impossible, and have in part substituted other systems of raising revenue. In 1865 Massachusetts made tax-exempt in the hands of the holder shares of stock of her own corporations, and established a system known as the taxation of "corporate excess." This system has remained in force up to the present time and has worked so successfully that its discontinuance is unlikely. The corporations are taxed by the municipality upon their real estate and machinery. Whatever other value there is in their shares of stock is taxed by the state at an average rate. The revenue yielded to the state by this tax on "corporate excess" is in 1911 some \$8,700,000. The value of the tax-exempt stock of the corporations is more than a billion dollars. Massachusetts has also exempted from taxation to the owner cash in her savings banks. The banks themselves pay a tax on account of their \$800,000,000 of deposits which yields some \$1,900,000 of revenue and is thus at a rate slightly below two and one-half mills on the dollar. In the case of mortgages on Massachusetts real estate the present law works out a virtual exemption since the mortgaged real estate is itself taxed upon its entire value. Massachusetts state and municipal bonds and notes also are now tax-exempt. But other bonds are still taxable to the holder in Massachusetts upon their capital value, and at rates which frequently take 30 or even 50 per cent of the income derived from them. Cash deposited in national banks and trust companies is likewise subject to taxation at the same high rates and net credits are treated likewise. Shares of stock of foreign corporations are treated as personal property to be taxed upon their capital value. It frequently happens, therefore, that while a foreign corporation having all its property in Massachusetts is taxed by the municipality upon this property, its shares of stock which derive their value chiefly upon this property are taxed upon their capital value. This situation presents a good example of double taxation by the same jurisdiction—a situation which receives little or no approval from any one, and which is relieved only by the general impossibility of finding the securities for taxation purposes. Thus while Massachusetts made a notable advance nearly fifty years ago she is still wedded to the taxation of intangibles as personal property—in large measure she still adheres to a system which is not and cannot be impartially administered.

New York has gone further than Massachusetts in breaking away from the general property tax. Shares of stock in domestic and foreign corporations are exempt because the corporations pay a capital stock tax based upon earnings or share value. Mortgages secured by New York real estate are exempt upon the payment once and for all of a registration fee of five mills on the dollar of the amount of the mortgage. In the pass-

An able paper by Charles A. Andrews, a tax commissioner for Massachusetts, showing how various states have tried and failed to list and to tax personal holdings

age of the "secured debt" law of 1911, New York has granted virtual exemption upon payment once and for all of a registration fee of five mills on the dollar of face value to all mortgages or mortgage bonds, notes and written obligations secured by real estate or personal property outside of New York or by securities deposited as collateral. Of all the laws which have found a place upon the statute books of the states this law is probably the nearest approach to total exemption. It does not require an annual contribution from wealth existing in this form. It cannot be said to be taxation in the ordinary sense of the term. It of course, relieves the assessor from attempting to tax this most elusive class of property, and it eliminates the inequalities which everywhere result from taxing this property only in individual cases. Owners of such property can now live comfortably in New York. But there are serious objections to the law. It must be justified in the last analysis by the arguments of those who believe in total exemption of intangible wealth. Unless one believes in total exemption he will conclude that the registration fee, while better than nothing from a revenue point of view, is extremely inadequate as a matter of taxation.

In Pennsylvania, Maryland and Connecticut another plan has been in operation for some years. Substantially the same plan has been adopted in Minnesota and Iowa within two years. This is what has come to be called "classification of property for the purposes of taxation." The system provides, in general, that such intangibles as are not exempt because of capital stock or other taxes paid directly by the corporation shall be themselves a class of property taxable upon its capital value, but at a rate very much lower than that applying to the taxation of real estate. In Pennsylvania, where the system has been in operation many years, more than a billion of dollars' worth of taxable intangibles is taxed at four mills on the dollar, and there results \$4,000,000 of revenue. This is in addition to a capital stock tax upon the shares of certain classes of both domestic and foreign corporations, which tax produces over \$9,000,000 of revenue. Furthermore, shares of stock in banking and manufacturing corporations in Pennsylvania are tax-exempt.

The same general plan has been in operation in Connecticut since 1889. Upon registration with the state treasurer "bonds, notes and other choses in action" are taxed at the annual rate of four mills upon the dollar of their capital value and are exempt from other taxation. This classification includes not only the ordinary bond and note, but also mortgages other than those secured by Connecti-

cut real estate (which latter are virtually tax-exempt the same as in Massachusetts), net credits, cash on deposit and all other cash except specie. Shares in corporations are not included, since they are entirely exempt in the hands of the holder residing in Connecticut. The receipts on account of this tax for the year ending September 30, 1911, were \$159,720, which indicates that some \$40,000,000 worth of this class of property availed itself of this low tax.

In Maryland in 1896 a similar system was established. Under it shares of foreign corporations and all bonds are taxed for local and state purposes at a combined rate of 4.6 mills. In the city of Baltimore, before the establishment of this system these classes of property aggregating \$6,000,000 in value were taxed at the high rate of approximately \$20 a thousand; in 1907 \$151,000,000 of this property was taxed at the lower rate. The smaller amount taxed at the high rate undoubtedly shows lax administration, but the larger amount (which is perhaps still small for the city of Baltimore) is very significant as showing that a reasonable tax upon intangibles can be collected.

In Minnesota and Iowa this same system of classification is of so recent adoption that we cannot discuss results further than to say that in Minnesota, where a three-mill rate was established by legislation in 1911, there is appearing for taxation eight times as much intangible property as was formerly taxed at the high rates. Here again is strong evidence that intangibles will pay a tax if it is reasonable.

In one other state, Wisconsin, still another plan is being tried. The law was passed this year and of course has not yet shown results. This plan provides for the exemption of certain classes of property, including intangibles, from all taxation upon their capital value, and, in substitution, the imposition of a tax on the income produced by such property. While several states have had laws long upon their books providing for certain forms of restricted income taxation, it is true to say that this attempt of Wisconsin to levy a genuine income tax is the first serious adoption of the income tax in any American state, excepting course the different systems of taxing public service corporations upon gross or net income.

Since this paper is not intended to be a compilation of details of taxation in the several states, we have perhaps gone far enough in our examination of different systems. From the examples cited and from others certain general conclusions may be drawn as follows:

First. Through the adoption of capital stock and other excise taxes some classes of securities have been freed from taxation in the hands of the holder. These kinds of excises also cover, to some extent, cash and credits.

Second. In some states, notably New York, securities and credits have been exempted from taxation in the hands of the holder, and there has been established a system of registration fees which is scarcely taxation, but

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CAPITAL AND SURPLUS, \$10,000,000.00

which may be called (in no opprobrious sense) the price paid for exemption.

Third. In some states the classification idea has been adopted, and intangibles are now being taxed (with more success than formerly) at low rates as compared with real estate.

Fourth. In one state there is now under way a plan by which intangibles are exempt except as to the income produced by them.

All of this serves to indicate a serious searching for something in place of the general property tax as applied to cash credits and securities; it has been brought about by the growing conviction that the general property tax works inequitably. The experience of the American states is not the only fact in point. Taxation of intangibles upon their capital value has largely ceased in Europe, where the income tax has been developed much more than here, and where there have been devised many forms of taxation which are entirely untried in the United States. It is likely that for many years to come those foreign forms of taxation, such for instance as taxation in proportion to the rental value of premises owned or occupied, will find little favor in the American states. Such alleviation as is secured from the inequalities and injustices of our present system will probably result from further adoption and modification of these four possible plans:

First. Total exemption of more or less personally, especially intangibles.

Second. Classification of property, and the taxation of different classes at different rates.

Third. The income tax.

Fourth. An extension of capital stock or other excise taxes, by which the tax on securities shall be paid by the corporation rather than by the owner of the stock or bond.

For the total exemption of cash, credits and securities there can be made a strong argument based not only on considerations of administration, but also upon the broader conceptions of the nature of property and of general economic facts. We may as well admit, however, that whatever the force of the argument, total exemption as such will not be generally adopted. We have so long considered all forms of property as fit objects of taxation that no one ought to expect the states to suddenly decide that a very large proportion of this property shall no longer be required to help support government. As a general solution of the difficulties, therefore, we must for the present eliminate the idea of total exemption.

Classification of property promises much, but the difficulty of attaining it is very great. The constitutions of a large proportion of the state provide that all classes of taxable property shall be taxed at the same rate. The amendment necessary to allow classification must be general in terms, and when it is once adopted the legislature is at liberty to make whatever classifications it desires, not only as to intangibles, but as to all other forms of property. The possibilities of classification, just or unjust, are immense. Shall the legislature be trusted to exercise this great power?

Much good could be done under it; but also much harm. We are face to face with the old question as to how much the people can be trusted to conduct wisely their own affairs of government. Timidity argues for no change. Likewise that part of the community which under the present system, through lax administration or otherwise, feels but lightly the heavy hand of the taxing power. Nor ought we to fail to say that many people believe that the present system, despite its inequalities, is correct in principle—that as a matter of right all kinds of property should be taxed at the same rate and on the same basis.

Theoretically, at least, the income tax has much to commend it. It proceeds upon the idea that all individuals shall share their receipts with government, that one's ability to support public charges may be justly measured by what he receives as income either from his profession or from his investments. The taxation of land upon the basis of its income is open to very serious objection, but the taxation of personal property on the basis of the income it produces is another matter, and the development of this idea is full of promise. If it shall prove successful in the virile state of Wisconsin other states may well adopt it. Nor need we wait for proved success in Wisconsin. The income tax is to such a degree sound in principle that it may well be hopefully undertaken by most American states. The constitutional amendments which may be necessary for its accomplishment can be more restricted than can those necessary for a classification of property and thus less open to the objections of those who fear the whims or the unwisdom of the legislature.

The fourth solution which has been suggested—the amplification of capital stock and

other excise taxes—is at best but a partial solution. However much we may tax the corporations themselves we shall not thereby reach all cash, credits and securities. There will remain vast values untouched by such excise taxes, however diverse their kinds and their application. Further be it said, that in many states corporate taxation is now all that—or more than—ought to be imposed upon this form of property. It is essentially property in the possession of the individual which we have been considering. A discussion of the general property tax in its relations to intangibles is in part an inquiry as to the incidence of the tax upon the citizen. No kind of excise upon a form of doing business can in American states at present offer a real solution of the questions connected with the taxation of property owned by and affording income to persons. Only in states which have not developed taxes upon the capital stock of corporations can this fourth suggestion be of much value. And in such states it can be only a partial solution for the shortcomings of the general property tax.

These considerations offer but little encouragement for that magnum desideratum, uniformity throughout the United States. In a country of such diversity of industry, of so widely different economic, political and social conditions, and of such different rates of public expenditure, uniformity in a matter so intricate and technical as taxation is unlikely. Uniformity much better suits a monarchy than the government of a free people living under fifty distinct jurisdictions. We may reasonably hope, however, that by processes of evolution as distinguished from revolution, all the state will discard systems and laws of taxation which cannot be made to work, or which if administered result in taking from the citizen an unreasonable proportion of his property. But each state will develop its own substitutes and Wyoming will not be like Massachusetts nor South Carolina like Michigan. The whole question is immeasurably complicated by the fact that the individual can change his legal domicile from one state to another and can thus choose a tax system best suited to make him a minimum for the support of government.

There are, however, certain fundamentals which should be observed in every attempt at tax reform. Too often these general principles have been overlooked, and many of the inequalities of American tax systems are due to this fact.

First. The primary purpose of taxation is to raise revenue for the support of government.

Second. The burden of taxation ought to be supported with equality of sacrifice.

Third. Any tax system, to be worthy of acceptance, ought to be not only sound in theory but capable of thorough administration.

It was said many years ago that the clergy supported government with their prayers, the nobles with their arms, and the peasants with their taxes. Support of government by these three agencies is as necessary to-day as it ever

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Deposits - - 35,000,000

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has been, but a monopoly in any one of the three by any class of citizens does not produce the best results—it is abhorrent to our ideas of the duty of the individual to organized society. Nowadays it is altogether too common a fact that wealth escapes its fair share of taxation. The general property tax, by trying to get from certain forms of property too much tax, has succeeded in getting too little. Classification of property for purposes of taxation, and the use of the income tax, are two methods of reform which promise much for a juster distribution of the burdens of government. Both of them are worthy of the best attention of all who would create a tolerable condition.

YOUNGEST BANK ABSORBS OLDEST

The First National, the oldest national bank in Okmulgee, Okla., has been purchased by the Exchange National, the youngest bank in Okmulgee. The name, First National of Okmulgee, will be used. The capital is \$50,000 and surplus \$10,000. J. A. Price, who put the deal through, will be president; Carlisle Maberry, cashier, and C. C. Almy, assistant.

GROUP 8, NEW YORK, BANQUET

The annual banquet of Group 8 of the New York State Bankers Association took place Monday evening at the Waldorf-Astoria. Among the speakers were: Darwin P. Kingsley of New York, who spoke on "Some Jeffersonian Maxims," Robert Luce of Massachusetts, and Norris G. Osborn. Albert H. Wiggin, president of the Chase National Bank, acted as toastmaster. Following were the guests of honor, in addition to the speakers:

Frederick E. Farnsworth, W. H. Bennett, W. J. Gilpin, Geo. C. Van Tuyl, William A. Nash, Richard Delafield, J. P. Morgan, Jr., Lee McClung, A. B. Hepburn, A. H. Higgins, Rev. J. H. Holmes, Geo. F. Baker, A. Piatt Andrew, Geo. E. Roberts, Claude Casimir Perier, Jacob H. Schiff, Wm. G. McAdoo,

William Livingstone, Charles A. Hanna and Alexander Gilbert. Among the representatives of out-of-town banks were: President Walker Hill of the Mechanics-American Bank, St. Louis; President Nesbit of the Bank of Pittsburgh; Vice-President Graham of the Citizens National, Baltimore; and Colonel McAdams of the Merchants National, Richmond, Va.

YEARS OF BANKING WITHOUT CENT LOSS

In the financial district of Minneapolis where records are made in clearings and deposits that run into big rows of figures, the extraordinary fact has developed that in four years of operation one of the downtown banks has not placed a single cent on the debit side of its ledger for loss through bad account or loan insufficiently secured. The Metropolitan National Bank has this record.

With the annual summary of new officers elected, dividends declared, additions to capital or surplus that the various banks of the city had to report, the Metropolitan National, now in its fifth year of existence, failed to show the mark of a pen in that place on its ledger where such a loss would have been recorded and its officials are hoping that the unbroken record may continue. Officers of the bank have confirmed the report that the bank had gone four years without loss of any kind, and said that they had not given it much thought, except that they felt very much gratified, and believed that the record was good.

The growth of the Metropolitan National has been much commented on. In 1910 its deposits were \$661,964 and in 1911 they had risen to \$1,362,723. Loans and discounts that stood at \$717,509 in 1910 were up to \$1,201,951 a year later and within the year the cash due from banks rose from \$185,772 to \$503,472. Surplus rose from \$32,000 to \$60,000, dividends paid increased from \$9,000 to \$15,000.

OPPOSED TO OVERDRAFTS

Austin, Texas.—According to letters received by Commissioner of Insurance and Banking Gill, from some of the leading banks and bankers of the state, they are in hearty accord with the co-operation now being given by the Texas department of insurance and banking to Lawrence O. Murray, comptroller of the currency, in his efforts to obtain an agreement from the banks of Texas, both state and national, looking to a discontinuation of the practice of allowing overdrafts. Commissioner Gill disclaims that the department has received protests from any source on the proposed plans; on the contrary, he says that he is receiving many letters commending the plan.

"There is no banker of experience," declares Commissioner Gill, in replying to the letter of one banker, "that does not know that most of his losses begin with an overdraft, and a customer should make his arrangements with his bank for a line of accommodations, execute notes and place amounts to his credit, subject to his check, and avoid overdrafts. When this is done a bank can better finance its affairs because it knows what its obligations are, but does not know what to prepare for with a line of customers using the bank through the medium of an overdrawn account."

Commissioner Gill also points out that should an agreement be reached by all banks to abolish the practice this would be avoided. The commissioner asserts that unless the banks voluntarily agree to such a plan it is certain there will be national and state legislation on the subject. Mr. Gill says he would like to know that the other banks have taken up this matter, and act upon it at an early date.

Ernest R. Moore, well known Cedar Rapids banker, has announced his candidacy for republican national committeeman from Iowa, opposing E. E. Hart, well known Council Bluffs banker.

THE FARMERS' AND MECHANICS' NATIONAL BANK

OF PHILADELPHIA, PA.
427 CHESTNUT STREET

Capital - - - \$2,000,000.00
Surplus and Profits 1,452,000.00
ORGANIZED JANUARY 17, 1807
Dividends Paid - \$13,197,000.00

OFFICERS

Howard W. Lewis, President
Henry B. Bartow, Cashier John Mason, Transfer Officer
Oscar E. Weiss, Assistant Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS, 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. Corner La Salle and Washington Streets

Capital - - - \$1,500,000
Surplus and profits (earned) 1,922,000
Deposits over - - - 24,000,000

OFFICERS

L. A. GODDARD, President FRANK I. PACKARD, Asst. Cashier
JOHN R. LINDGREN, Vice-President C. EDWARD CARLSON, Asst. Cashier
HENRY A. HAUGAN, Vice-President SAMUEL E. KNECHT, Secretary
HENRY S. HENSCHEN, Cashier WILLIAM C. MILLER, Asst. Secretary

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KENTUCKY BANKS MERGE

London, Ky.—At the annual meetings of the stockholders of the National Bank of London, of this city, and the East Bernstadt Banking Company, of East Bernstadt, Ky., five miles north of here, action was taken by both consolidating the two institutions under the name of The National Bank of London. The capital stock is to be increased from \$25,000 to \$50,000, and \$15,000 worth of stock of the increased capital will be taken up by the old stockholders of the East Bernstadt Banking Company, the remaining \$10,000 to be put on the market. All the old directors of the National Bank were re-elected, and D. C. Edwards was elected president; E. H. Hackney, vice-president; W. Q. Harned, cashier, and D. F. Brown, second vice-president.

The East Bernstadt Banking Company will close its doors and all the business of that institution will be merged with the National Bank of London.

GIRARD NATIONAL OF PHILADELPHIA

Philadelphia, January 18.—A merger of the Western National Bank into the Girard National Bank may shortly be arranged. That such a proposition is in mind was admitted yesterday by interests identified with the last-named concern, but it would seem that the matter has not been officially broached, as George E. Shaw, president of the Western National Bank, stated that there is nothing in contemplation.

Both are very old banks. The Girard National Bank started April 13, 1832, but really dates back to the first Bank of the United States, chartered in 1791. The Western National Bank began April 23, 1832. It is located at 408-10 Chestnut Street. For a dozen years or more the eyes of several big banks have been upon it, but no proposition ever made met the views of the Western National Bank's stockholders.

The Western National Bank has a capital stock of \$600,000, and yesterday reported de-

posits of \$4,139,000. The Girard National Bank, with \$2,000,000 capital, had \$37,753,000 of deposits, and so ranked as third largest bank in Philadelphia.

Oakleigh Thorne

Having sold out the Trust Company of America to the Equitable Trust, President Oakleigh Thorne has just closed a deal for the purchase of the Corporation Trust Company of New Jersey. Mr. Thorne purchased the Corporation Trust to give permanent employment to his loyal friends and supporters in the Trust Company of America. He will turn the control of it largely over to them.

JAPANESE BANKER VISITS HOUSTON

H. Hijikata, director of the Bank of Japan, who is touring the world, spent one day last week in Houston visiting among local Japanese. Mr. Hijikata is accompanied by his secretary, and has already been on his trip for several months, spending some time in Europe. He makes his home in Tokio, where he has large interests. He was apparently much pleased with the Southwest, and said:

"There is at present a heavy cotton movement to Japan from the cotton producing states of the United States. Of course it is hard to predict, but it seems to me that the future of the trade between the two nations is unlimited. I regret very much that I must make my visit so short."

J. W. Charlton has been elected cashier of the Hermitage National of Nashville, Tenn.

WOULD LIMIT FOREIGN LOANS

Milwaukee, Wis.—A spirited discussion ensued Wednesday at the session of the Wisconsin Association of Real Estate Brokers at the Hotel Pfister when F. L. MacGowan, Eu Claire, introduced a resolution instructing the legislative committee to prepare a bill whereby state bankers would be allowed to make only limited loans outside of their counties.

Mr. MacGowan said that many bankers are loaning their money to people outside the state. In fact, he said, they are mere collectors of money which is sent to eastern markets. He asserted he was led to make that charge by the inability of many real estate men to consummate deals because they could not borrow money required from the banks.

J. T. Kenny, Madison, said that he knew most of the banks of the state are more anxious to loan money nearer home, because they can arrange better interest rates than if they send it away from home.

The association finally decided to address congress in an effort to secure a change in the national banking law so that national banks may loan at least 25 per cent of their assets, or other deposits, on real estate.

SUCCEEDS C. T. LINDSEY

George W. Harrison, formerly cashier of the Second National, New Albany, Ind., has been elected cashier of the Citizens National at South Bend, Ind., filling the vacancy caused by the death of C. T. Lindsey. Mr. Harrison was connected with the First National, and later with the Second National of New Albany for a number of years. When he retired from the latter about ten years ago he located in South Bend as assistant cashier of the Citizens National, one of the leading financial institutions of that city.

The comptroller of the currency has approved the application to organize the Marin County National Bank of San Rafael, Cal., capital \$50,000.

American National Bank Louisville, Ky.

Capital and Surplus, \$1,000,000

LOGAN C. MURRAY, Pres. R. F. WARFIELD, Cashier
CHAS. C. CARTER, Asst. Cash. F. L. MOSELEY, Asst. Cash.

Unsurpassed Excellence of Service for Collections

WILLIAM J. BURNS, President. Formerly U. S. Secret Service. Late San Francisco, Cal., Graft Prosecution

RAYMOND J. BURNS, Secretary and Treasurer

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is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over \$40,000,000.00



ERNST & ERNST TO AUDIT THE CINCINNATI TRUST CO. FOR SHORTAGE

Cincinnati, Ohio, January 18.—Arrangements were completed yesterday for an audit of the books of the Cincinnati Trust Company, and at 9 o'clock this morning the corps of experts will be given possession of the books and papers in the old quarters of the bank, at Fourth Avenue and Walnut Street. The audit will be made there, and none of the books or papers will be taken from the premises.

The audit is to be made by Ernst & Ernst, New York, accountants, who specialize on bank work. One of the partners will bring an expert from the New York office, while another will come from Chicago, and one from the Cleveland office. They will work in the "little back room," behind the big safe deposit vault, which has been set apart for them.

Final consent to make the audit was received from both President Kroger, of the Provident Savings Bank and Trust Company, which absorbed the Cincinnati Trust and has charge of its books, and also from President Cox and Secretary Keith, of the Cincinnati Trust. President Kroger, of the Provident, informed the stockholders, who are represented by Attorney Albert H. Morrill, that he had no objection to the audit. Formal demand was then made on the directors of the Cincinnati Trust, through President Cox, and later in the day, after Cox and Keith had a conference with Attorney Louis Ireton, who represents the Cincinnati Trust, they granted the demand.

It is understood that all the books and accounts of the bank, as well as the minute books of the board of directors, the correspondence, files, etc., have been placed at the disposal of the experts.

A long conference of those interested in the audit, and the Cincinnati manager of Ernst & Ernst, the accountants, was held yesterday afternoon. At the conclusion of the conference the brief statement was made that all arrangements have been made for the experts to begin at once.

It is understood that another meeting of the stockholders interested will be held, at which an organization will be effected by the appointment of a chairman and a secretary, and the audit and work connected with it will be placed in the hands of a committee.

J. F. Hartwell has been elected president of the Gary Trust and Savings Bank, Gary, Indiana.

Logan C. Murray

The veteran ex-president of the American Bankers Association, Logan C. Murray, has written to the National Monetary Commission, as a representative of the Louisville clearing house, protesting against having Louisville adjoined to any other district under the new currency bill. Mr. Murray would have Kentucky in a district, which would have Louisville for its reserve association point. His city and state strenuously object to being added to the Cincinnati district, and believe that they are important enough to constitute a district of their own with Louisville as headquarters.

DEATH OF LEVIN D. GASS

Levin D. Gass, cashier of the First National at Danville, Ill., died at his home on Wednesday night, after an illness of several weeks. Mr. Gass was prominent in all civic and business movements. He was a member of the school board and a colonel in the Illinois National Guards. Fraternally he was a thirty-third degree Mason, was past-grand chancellor of the Knights of Pythias, and had been elected to the supreme lodge of the latter in October.

Gary, Ind., January 17.—A small bank roll was found imbedded in the heart of a cake of ice to-day, by Clarence Dorman, an employee of a Broadway meat market. Dorman was cutting the ice when he found the prize.

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Steamship & Insurance Agents

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Interest on Deposits—Accounts solicited
Money to Loan on Real Estate

Open Evenings—Hours 9 a. m. to 9 p. m.

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AS NORTHWESTERN NATIONAL SEES IT

In its current circular, the Northwestern National of Minneapolis says:

"There has been no particular change in the financial situation since our last issue. The feeling of confidence that the current year is to be one of safe and satisfactory business continues to grow more settled. For a time, it looked as though there would not be a very good demand for money, but now there is a call for funds, which is sufficiently strong to be reflected slightly in the rates, which have moderately increased. Interest in possible legislation by congress affecting our national finances is strong, and it is to be hoped that some definite policy, if not entirely worked out, may be clearly outlined at the present session."

REAL ESTATE TITLE AND TRUST

The following have been elected officers and directors of the Real Estate Title and Trust Company, Chicago, for the ensuing year:

President, Abel Davis.

Vice-president, Charles G. Little.

Second vice-president, Edward E. Shaw.

Treasurer, Fred L. Wilk.

Secretary and trust officer, Harry E. Ambler.

Assistant secretary, V. L. Garnett.

Assistant secretary, J. Frank Graf.

Directors—Joseph E. Otis, M. E. Greenebaum, Roy E. Tabor, Fred L. Wilk, R. I. Terwilliger, Edward C. Kohlsaat, P. W. Gates, Nathan William MacChesney, Nelson N. Lampert, M. W. Kozminski, James F. Stepina, C. A. Bickett, Arthur W. Draper, Peter L. Evans, Charles G. Little, W. J. Danforth, Abel Davis.

CHARGED WITH FORGERY

Owensville, Ind., January 17.—Leslie C. Hunter, a young business man of this city, was arrested at his home here on a charge of forgery filed by the American National Bank, of Princeton. Hunter is said to have signed the name of Harry Pollard to a promissory note for \$2,500. This note was given at the Princeton bank a year ago. Pollard was not aware of its existence until notified by the bank that the note was due. Pollard is a wealthy farmer.

Hunter was formerly a teacher in the local schools. He resigned the position to go into business and opened up a tinshop in East Brummitt Street.



ESTABLISHED 1902

CHICAGO SAVINGS BANK AND TRUST CO.

STATE AND MADISON STS. CHICAGO.

This institution pays 3% interest on the inactive accounts of banks and bankers, and also handles their active accounts. Correspondence invited.

LUCIUS TETER, President EDWARD P. BAILEY, Vice-President JOHN A. McCORMICK, Vice-President	OFFICERS WM. M. RICHARDS, Asst. Cashier EDWARD J. PRESCOTT, Secretary	JOHN C. ARMSTRONG, Asst. Secretary F. O. BIRNEY, Asst. Secretary WILLIAM T. ANDERSON, Auditor
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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

The winter season of 1911-1912 has indeed been a hard one for the farmers to market their crop of corn. Before the opening of the new year, the roads were extremely muddy and heavy; hauling was almost entirely impossible. After the first of January the extremely cold weather came, and while this did not interfere with the delivery of the crop as did the bad roads, yet there was a considerable delay as farmers in some cases abandoned the shelling of grain on account of the cold. It is believed that the extreme cold and the snow will have a highly beneficial effect upon the soil for the coming year as the Illinois soil has not experienced a severe and deep freezing for several years. There is a marked demand for funds with the approach of the first of March, which is "moving-time" and financial house-cleaning time for farmers, and for the hundreds of country towns directly dependent upon agricultural patrons. This demand is normal, however, and with the delivery of large amounts of the corn crop of 1911, will be satisfactorily met.

Changes in Illinois Banks

A. B. Funk has been elected president of the First National of Bloomington, to succeed his late brother, Duncan M. Funk. A. B. Funk is also a director in the bank. Isaac Funk, Jr., was elected a director to take the place of Duncan M. Funk. Jacob Funk, a brother of A. B. Funk, and LaFayette Funk, are directors of the State National of Bloomington, the former being president of that institution.

Joseph Tabke has been elected president of the German-American National of Lincoln, to succeed the late L. C. Schwerdtfeger. Mr. Tabke has been connected with the bank for twenty years.

The First National of Danville has named Assistant Cashier Charles P. Nelson to be cashier, on account of the prolonged illness of former cashier, Levin D. Gass.

Death of Wilmington Banker

President Malcolm N. M. Stewart of the First National of Wilmington, is dead at the age of 78 years. Mr. Stewart was brought by his parents to Wilmington, when he was but two years of age, and has since resided there, noting profound changes in the growth and development of Illinois. He helped to organize the One Hundredth Illinois Infantry in

1861, and served throughout the Civil War in Company A of that regiment. His father, Colonel Peter Stewart, was a noted abolitionist leader.

Several New Banks

The state auditor has issued a permit for the incorporation of the Farmers State Bank of Divernon, near Springfield. Thirty farmers and business men of Divernon are interested in the project, which will have capital stock of \$25,000. David L. Haire and Ernest Herlan of Divernon, and Frank H. Lowe and Charles P. Summers of Springfield are given the permit to organize the bank.

The new state bank at Armington, Logan county, has also received a permit to engage in business.

The comptroller of the currency has been asked for a charter for the Garfield National Bank of Chicago to be organized with \$50,000 capital. The directors will be J. L. Simmons, G. W. Lamson, A. Walzer, and J. Nelson.

Illinois Notes

The postal savings bank at Highland, near St. Louis, which had one depositor, is now without deposits. A man who had left one dollar to the safe keeping of Uncle Sam has now withdrawn the same. A postal bank was installed at Rankin, Vermillion county, January 6th, and one at Farmer City, January 15th.

The First National of Peoria is now running a large picture of its magnificent new banking room in its ad. in the Peoria papers and needless to say the cut makes good ad-

vertising material. The new bank is one of the show-places of Peoria.

Leslie Boner, of El Paso, who has been with the Merchants Loan and Trust of Chicago, for the past four years, has resigned his position with the Chicago bank, and will take charge of a bank at Arthur, South Dakota, March 1st.

The work of rebuilding the Farmers National of Pekin is progressing rapidly. A new vault with beautiful furniture, fixtures, hardwood floors, and mural decorations of the latest approved bank style will be installed.

The Home Savings of Peoria emphasized the value of thrift among the people, when it announced that it distributed \$10,000 among its depositors as interest January 1st. This bank is preaching the good doctrine of savings. Henry W. Ulrich is the cashier.

H. B. Smith is reported president, and E. D. Brady, cashier of the Peoples National of Monmouth. O. P. Bourland is reported president, and C. R. Tombaugh, cashier of the National Bank of Pontiac.

State Auditor McCollough has distributed the \$2,000,000 school fund to the various counties of the state. This amount was provided by the last general assembly. Cook county receives \$354,141.

The largest personal bond ever recorded in Peoria county went on record when P. A.

F. E. FARRELL Established 1864 **E. E. CRABTREE**

F. G. FARRELL & COMPANY, Bankers

Successors to First National Bank
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ACCOUNTS AND COLLECTIONS SOLICITED

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CAPITAL & SURPLUS \$1,000,000

Pays a rate of interest consistent with good banking

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Correspondence Invited

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Peoples Savings Bank & Trust Co.

Capital and Surplus \$394,000.00 Deposits over \$3,200,000.00

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Fidelity and Forgery BONDS

Burglary Insurance

National Surety Company

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A. J. Earling John S. Runnells

John A. Spoor, David R. Forgan, Resident Directors
Walter H. Wilson S. M. Felton George M. Reynolds

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A Strictly Commercial Bank

IRVING NATIONAL EXCHANGE BANK

A Decade of Growth—Comparative

United States	1900	1910	Per Cent Increase
Population.....	75,994,000	91,972,000	21%
Wealth.....	\$88,517,000,000	\$125,000,000,000	41%
Money Circulation.....	2,055,000,000	3,180,000,000	54%
Savings Bank Deposits ..	2,389,000,000	4,070,486,000	70%
National Bank Deposits ..	2,458,000,000	5,287,216,000	115%
Bank Clearings, U. S.	84,582,000,000	158,559,487,000	87%
Bank Clearings, N. Y.	51,964,000,000	99,257,662,000	91%

Irving National Exchange Bank

	1900	1910	Per Cent Increase
Capital.....	\$ 300,000	2,000,000	566%
Surplus and Profits	100,900	1,797,900	1681%
Deposits	3,446,500	28,360,200	722%
Assets.....	4,108,800	33,347,200	711%

OFFICERS

LEWIS E. PIERSON, President
 JAMES E. NICHOLS, V.-Pres. ROLLIN P. GRANT, V.-Pres. BENJ. F. WERNER, V.-Pres.
 DAVID H. G. PENNY, Asst. Cash. HARRY E. WARD, Cash. J. FRANKLYN BOUKER, Asst. Cash.
 RICHARD J. FAUST, Jr., Asst. Cash.

West Broadway and Chambers St.

NEW YORK

Johnson, tax collector for the township of Peoria, filed his bond for \$2,205,000. The directors of the Commercial-German National signed the bond.

The J. Keenan Bank of Leroy has recently purchased the building in which the bank is located from Arthur J. Keenan, and L. C. Keenan for \$12,000.

One of the Aledo banks has offered a year's tuition in the agricultural department of William and Vashti College, located in Aledo, for the largest yield of corn on one acre of Mercer county land, during 1912, by any boy or girl under eighteen years of age.

F. D. Marquis, president of the Peoples Bank of Bloomington, has received word of the death of his half-brother, Stanley DuBois, at Pasadena, California. Mr. DuBois was a man of unusual literary ability, and conducted a department in one of the Los Angeles papers. He also wrote charming letters for the Bloomington Pantagraph and contributed to magazines and periodicals.

S. M. Funk has been elected president of the State Bank of Cerro Gordo, near Decatur, to succeed John N. Dighton, of Monticello, lately deceased.

Lieut. Harry Clark Ridgely, a member of the well-known banking family of that name in Springfield, now an officer in the United States navy yard at Portsmouth, New Hampshire, recently met with a serious accident, which resulted in concussion of the brain. Mr. and Mrs. Edward Ridgely and Charles Ridgely hurried to Portsmouth to be at his bedside.

OPPOSES COMPULSORY BANKING INSPECTION

Toronto, Ont.—Any amendment of the Canadian banking act which would call for compulsory inspection of the banks of the bankers association was condemned by Duncan Coulson, president of the Bank of Toronto, in the course of his address to the shareholders at the annual meeting of that institution. Referring to the system of inspection of the head office by a committee of directors, which prevails in the Bank of Toronto, Mr. Coulson expressed the view that it had proved satisfactory, though he would personally be willing to see the bank submitted to some other form of auditorship under the proposed revision of the act.

FORGAN ADDRESS POSTPONED

Minneapolis.—David R. Forgan, president of the National City Bank, Chicago, who was a speaker at the Dunwoody-Koon testimonial dinner in Minneapolis last week, is ill at his home in Chicago, and a meeting of the Citizens League of Minnesota, which was to have taken part this week at Duluth, has been postponed. John H. Rich of Red Wing, president of the league, has notified Minneapolis bankers and business men who are interested. Mr. Forgan was to have spoken on the Aldrich monetary plan. H. V. Eva of the Duluth Commercial Club notified the Minneapolis members of the league, that he will arrange a meeting for two weeks from now, at which time he hopes that Mr. Forgan will be able to be present.

BANK FAILED; PRESIDENT SHOT

Luka, Miss., January 13.—Following the failure of the Tishomingo Banking Company to open its doors for business here this morning, James H. Faircloth, president of the institution, was shot three times by G. T. Jordan, cattle dealer, a depositor of the bank.

Convention Dates

VERMONT—Montpelier, February 22; Secretary, F. R. Dickerman, Bristol.

TEXAS—San Antonio, May 7, 8 and 9; Secretary, J. W. Hoopes, Austin.

OKLAHOMA—Tulsa, May 10 and 11; Secretary, W. B. Harrison, Enid.

ALABAMA—Mobile, May 17 and 18; Secretary, McLane Tilton, Jr., Pell City.

MISSOURI—Joplin, May 21 and 22; Secretary, W. F. Keyser, Sedalia.

KANSAS—Topeka, May 23 and 24; Secretary, W. W. Bowman, Topeka.

MINNESOTA—State Agricultural College, St. Paul, June 14 and 15; Secretary Charles R. Frost, Minneapolis.

VIRGINIA—Old Point Comfort, June 20, 21 and 22; Secretary, Walker Scott, Farmville.

NEW YORK—Buffalo, June....; Secretary, William J. Henry, New York City.

WISCONSIN—Milwaukee, July 24 and 25; Secretary, George D. Bartlett, Milwaukee.

UNCLAIMED DEPOSITS

Columbus (Ohio) bankers are much aroused over dispatches from Cincinnati to the effect that the Western German Bank, of that city, has filed with the probate court a list of unclaimed accounts. They say this action is the first of its kind in the history of the state, and that, while a statute requiring such action has been on the books for years, the banks have always maintained that it is wholly unconstitutional and have refused to comply with its requirements. Their contention has always been that the deposits in the bank are matters of private relationship between the bank and its clients, and that the responsibility of the bank ceases when it has provided safekeeping for the funds intrusted to its care and stands ready to pay them over to the demand of the depositor. Further, they contend that because an account has not been drawn upon or added to for a period of seven years or more it does not follow that they are "unclaimed," and they cite the accounts of many depositors whom they say would actively resent such reasoning, even though their accounts have been absolutely inactive for a much longer time than seven years.

The law on the subject requires the filing of a list of unclaimed accounts with the probate court, and if these remain unclaimed for seven years after their certification to the court they become the property of the state. It has been estimated that \$2,000,000 of such accounts are on deposit in Cleveland banks, and possibly \$500,000 in Columbus institutions.

NEW NATIONAL BANK FOR SACRAMENTO

Sacramento, Cal.—Alden Anderson's new national bank became a fact January 9th, when the first meeting of the stockholders of the Capital National Bank of Sacramento was held and the following officers elected: President, Alden Anderson; vice-president, F. W. Biewener, Sr.; cashier, W. W. Bassett; other directors, S. S. Day, Hendy Feldhusen, A. W. O'Brien and H. C. Mud-dox. The new institution is capitalized at \$100,000, and takes over the commercial business of the old Capital Banking and Trust Company, which will become the savings and trust department of the Capital National. Anderson says an office building of imposing design will replace the present structure.

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President

L. G. BOURNIQUE, Cashier
W. L. CHENEY, Asst. Cashier
WALTER KASTEN, Asst. Cashier

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Charles Schriber

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 150,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary

GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler

Frederick Kasten
Charles Schriber
H. M. Thompson

R. W. Houghton
Gustave Pabst
Patrick Cudahy

Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith



BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

Milwaukee's new year appears to have entered with every indication of prosperity, if the first three weeks may be taken as an example. The local merchant is pleased with the volume of trade and manufacturers in staple lines report a fairly good influx of orders and every indication of continued trade. The number of idle men in Milwaukee is far less than some of the pessimistic would have us believe, and in this respect Milwaukee appears to much better advantage than many of the other large cities of the country.

Among the manufacturers representing the iron and steel industries there is fair activity and good prospects. Traveling men report a healthy sale, and a promising prospect for the future months.

At the various banks deposits are running well up to the expected level for this time of the year, with about normal demand for loans and rates steady. Collections are reported fair.

The country banker is husbanding his resources and carrying strong balances. To some extent he appears to have left the bond market temporarily, and is more inclined to buy short time commercial paper. Bond salesmen report good sales, and a number of the leading bond houses claim that their sales thus far in 1912 are well ahead of the same period for 1911.

Bank at Clinton Reported Burned

The Citizens Bank of Clinton, H. A. Moehlenpach, cashier, is reported to have been

badly damaged by fire early Tuesday morning, January 16th. Workmen had just finished making some elaborate improvements, which have been under way for several months. The damage has not yet been estimated, but is said to amount to several hundred dollars.

The fire originated when the night watchman entered the bank on his regular rounds and struck a match in the back room where paint and oils had been stored. It is thought that the room was filled with the turpentine fumes, and in an instant the entire building was in flames.

Wisconsin National Elects Officers

The annual meeting of the stockholders of the Wisconsin National Bank of Milwaukee was held during the past week, and the following officers and directors elected for the ensuing year: President, L. J. Petit; vice-president, Frederick Kasten; second vice-president, Hermann F. Wolf; cashier, L. G. Bournique; assistant cashier, W. L. Cheney; assistant cashier, Walter Kasten. The board of directors constitutes the following: Geo. D. Van Dyke, Gustave Pabst, Charles Schriber, Herman W. Falk, Oliver C. Fuller, R. W. Houghton, Patrick Cudahy, Isaac D. Adler, Henry M. Thompson, Clement C. Smith, Dr. C. E. Albright, L. J. Petit, Frederick Kasten, and Herman F. Wolf.

Mr. Wolf has been connected with the bank for a number of years, and becomes a member

of the board in recognition of his valuable services. Messrs. Smith and Albright are active business men in Milwaukee. The net earning for the bank for the year amounted to \$250,901.59, or approximately 12½ per cent. Since its organization the bank has paid a total of \$2,095,000 in cash dividends and also earned \$750,000 of its surplus, which has been added to the undivided profits of \$273,078.16, making a grand total of \$3,118,078.16.

Congratulates LaCrosse Bank

During the past week the Batavian National Bank of La Crosse celebrated its fiftieth anniversary, and among the many congratulatory letters and telegrams which poured in throughout the day was the following telegram sent by J. H. Puelicher, cashier, Marshall & Ilsley Bank, Milwaukee, on behalf of the officers and directors of that institution: "The officers and directors of Marshall & Ilsley Bank congratulate you most heartily on the splendid record of the past fifty years. With the solid foundation you have laid your continued success is assured." It was particularly apropos that the Marshall & Ilsley Bank should send a message of congratulation as the first draft drawn by the Batavian National Bank was for \$100 upon the Milwaukee institution.

Green Bay Bank Adds to Capital

At the annual meeting of the Bank of Green Bay the capital stock and surplus were doubled, and the officers were re-elected as fol-



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital . . . \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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JAMES K. ILSLEY, President
JOHN CAMPBELL, Vice-President
F. X. BODDEN, Assistant Cashier
G. A. RUESS, Mgr. South Side Branch
J. H. TWEEDY, Jr.
GUSTAV RUESS
J. H. PUELICHER, Cashier
H. J. PAINE, Assistant Cashier
S. H. MARSHALL
R. N. McMYNN
C. C. YAWKEY

lows: President, P. F. Dorschel; vice-president, Lawrence Gotfredson; cashier, H. R. Erickson. The capital stock of the bank is now \$50,000, the surplus, \$12,500, the assets \$400,000 and deposits, \$335,000.

Madison Bank Increases \$150,000

The state banking department during the past week has approved an amendment filed by the Capital City Bank of Madison, increasing its capital stock from \$50,000 to \$200,000. J. W. Hobbins, president and cashier of the bank, reports that the directors increased the capital stock out of the undivided profits of the bank.

BUTTE WANTS SILVER DOLLARS

Butte, Mont., January 16.—In an effort to induce the entire Northwest to appeal to the government to stand the expense of shipping silver dollars to western banks, the Butte business men's Association, will send a delegation of its representative citizens to the Northwest mining convention to be held in Spokane, February 12th, 16th and 17th.

The decline in the coinage of silver, and the appearance of immense amounts of paper dollars has caused alarm among Montana business men, and the Butte business men propose to secure concerted action to offer some inducement in the way of encouraging greater use of silver dollars, believing that it will result in the opening up of many silver properties in the Northwest. The government's refusal to pay expressage of \$6 on 1,000 silver dollars has led to the shipment of paper money.

As mints derive profits from the coinage of silver dollars, there being slightly more than fifty cents worth of silver in the coin, the Butte business men urge that the treasury government should pay the expressage.

BOY BANKER'S CREDITORS MEET

Peoria, Ill., January 16.—Fifty creditors of Earl W. Butler, boy banker, now in Joliet Penitentiary, gathered here to-day for the first dividend meeting. They were depositors in the banks at Ellisville and St. David, Fulton county, and Glasford, Peoria county. C. W. Warner of Laharpe, trustee of the estate, stated the assets had shrunk and the affairs were in such shape a first dividend of 5 per cent only could be declared.

Ralph C. Wilson

Ralph C. Wilson, vice-president and cashier, of the Old Colony Trust Company, Chicago, resigned at the first of the year, and Hugo Meyer has been elected cashier, with a vacancy as to vice-president. President Home was re-elected.

TERRE HAUTE BANK CASE

Terre Haute, Ind.—Receiver J. C. Kolsem, of the American State Bank, found several deeds and mortgages, which had never been recorded though made two and three years ago. The receiver says he cannot estimate the assets or liabilities until the tangled condition of the accounts is straightened out.

H. C. Arnold, a state bank examiner, says property just deeded by George W. Taber, father of the president, to the wives of two other sons, will not hold good because when he recently signed a joint note given to the bank to make good in part the shortage of his son he made affidavit to the possession of this property.

TWO TRUST COMPANIES MERGE

Philadelphia.—Arrangements have been concluded, except as to minor details, for the merger of the Equitable Trust Company and the Continental Title and Trust Company into a new concern to be called the Continental-Equitable Trust Company. It will have a capital of \$1,000,000, a paid-in surplus of \$1,000,000, and a substantial amount in undivided profits.

Business of the new company will be conducted, at least temporarily, from the present quarters of the Continental Title and Trust Company, in the Stephen Girard Building, Twelfth Street below Market. The plan, it is understood, is to erect a new banking and office building on the site of the store at the southwest corner of Twelfth and Market streets, which was until recently occupied by William H. Wanamaker. That corner was bought by the Continental Trust Company some time ago. It is assessed at \$740,000.

T. M. Daly is to be president of the new company. The two vice-presidents of the Continental will become two of the four vice-presidents of the Continental-Equitable Trust Company, the Equitable interest selecting the others. John F. Skelly will be secretary and

treasurer and John R. Umsted, title and trust officer. All those directors of the two companies will be members of the board of the new concern.

FORGETS HE HAS \$1,000 IN BANK

Cincinnati, January 16.—Officials of the Western German Bank, which has an unclaimed deposit account of \$1,000 in the name of Otto Graeff, which has been reported to the probate court, as required by law, yesterday were put in possession of information that will lead to paying the money to its rightful owner or his heirs. The deposit has been unclaimed, in the belief of the bank's officials, through the sheer forgetfulness of its owner, who is a lithographer by profession and an artist by temperament. Graeff is now supposed to be in New York City, but his brother and two sisters reside in Seattle, Wash., and an inquiry was sent them yesterday by mail as to the whereabouts of their brother.

The depositor of the Western German, who brought Graeff to the bank to make the deposit, when he read in one of the newspapers of the fact that the deposit is registered as unclaimed, called yesterday. He says Graeff, whom he knew well, while a man of only moderate income, was so wrapped up in art that he had absolutely no desire for money other than its facility to supply his immediate wants. He was carrying \$1,000 around in his pocket, which accumulated from unspent earnings, and one day mentioned to this depositor that he had more money than he wanted, and asked what he should do with it. He was told to put it in the bank, and was taken to the Western German, where Graeff opened a deposit account. The account has never been checked against or changed in any way since it was deposited.

PERMITTED TO ORGANIZE BANK

Washington, D. C., January 18.—The comptroller of the currency to-day approved application to organize the Farmers National Bank of Hutchinson, Minn. Capital \$25,000. W. H. Jensen, correspondent, Hutchinson, Minn.; I. T. Fallon, S. S. Beach, J. P. Fallon, and J. C. Pingel, organizers.

The First National Bank, Philadelphia, expects to be in its enlarged and remodeled building on February 13th.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

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P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, Mo., January 17.—Bankers report a rather good demand for funds just at present, and though rates continue easy, the feeling among the lenders is somewhat better than has been the case for some time. The opinion seems general and firmly fixed that the year is going to develop activities in all lines, and there is a disposition to husband resources, so that the lamps will be well filled with oil, when the bridegroom comes. There has been competition for commercial paper, especially those with good names, but preference is being shown for the shorter duration bills. No one seems willing to put out funds for very long time on the present basis of rates. This is taken as an indication that a better demand and higher level of interest are in store for the no great distant future. Bankers differ as to just when things will begin to pick up, but most of them think that there will be a gradual betterment until after the conventions, and the real wave will burst when the election is out of the way. This will not leave much of 1912, but 1913 is expected to be just about as busy a year as the country has ever seen. Deposits have been holding their own in good shape, and several of the larger banks report increases. With conditions in the South nearer to normal, deposits here would be way over the average for this season of the year. Collections show improvement in spots, but elsewhere much is left to be desired in this respect. A canvass of the wholesale district elicited a variety of reports, some hopeful, but others indicate that sales thus far this year have not been quite up to what was anticipated. Merchants in certain sections are holding back, without any apparent reason for so doing. On the whole, however, the situation is healthy, and the outlook promising. The heavy blanket of snow has made winter wheat prospects especially promising.

Missouri Bankers Convention

W. J. Keyser, secretary of the Missouri Bankers Association, has issued a circular letter to members, announcing that the twenty-second annual convention of the association will be held at Joplin, Mo., on Tuesday and Wednesday, May 21st and 22d.

Rolla Wells Heads Committee

Ex-Mayor Rolla Wells of St. Louis, president of the Business Men's League, has been appointed chairman of the executive committee for Missouri of the National Citizens League for the promotion of a sound banking system. The appointment was announced by George H. Mahan of Hannibal, state president. Other

members of the committee are: Harry G. Moore, president of the Kansas City Commercial Club; R. T. Forbes, president of the St. Joseph Commerce Club, and George D. Markham, Elias Michael and S. H. Fullerton of St. Louis. Chris Bernet, president of the Merchants Exchange, heads the advisory committee. In the committees will be included many of the leading business and professional men of Missouri. Mr. Mahan says both committees will be enlarged, and the Missouri federation of commercial clubs and leading mercantile associations of Kansas City, Springfield, Carthage, Columbia, Cape Girardeau, Hannibal, Independence, Joplin, Moberly, Sedalia, and St. Charles will have representation in them.

Future Plans Outlined

"The league is organized," said Mr. Mahan, "in more than fifty Missouri cities and towns, and the work is progressing rapidly. We could make greater speed, but believe it is wiser to gear the movement to the importance of the subject. Our association is not pledged to any definite plan. Its work is educational, and it proposes to foster a sentiment favorable to the best monetary system which may be devised. Business men and farmers are just as much concerned as bankers in the prevention of panics. In fact it is a practical truth that the interests of the bankers and business men and farmers are mutual. We intend to conduct an educational campaign. Business men and economists of national reputation will be sent by the league to address commercial associations and farmers unions in all parts of Missouri, and instructive literature will be circulated. Already we have strong organizations. The league has penetrated every section of this state. In a few months we will have representation in every city, town and county. No problem is more vital to the welfare of commerce and finance than

a flexible and stable monetary system. This country cannot afford to be in constant hazard of panic and upset. The least the business men and farmers can do is to signify their firm conviction that a suitable system is necessary."

Few Changes in Officers

Annual elections of local banks resulted in but few changes, either of officers or directors. The directory of the Third National was re-elected in full, and the board re-elected Charles H. Huttig, president. Other officers are: Thomas Wright, George W. Galbraith and R. S. Hawes, vice-presidents, and J. R. Cooke, cashier. B. F. Edwards was re-elected president of the National Bank of Commerce; Tom Randolph, John Nickerson, W. B. Cowen and W. L. McDonald, vice-presidents, and J. A. Lewis, cashier. Walker Hill was again named president of the Mechanics-American National. Jackson Johnson, Frank O. Hicks, and Ephron Catlin, vice-presidents, and J. S. Calfee, cashier. At the Merchants-Laclede National the officers were re-elected as follows: William H. Lee, president; David R. Francis and A. L. Shapleigh, vice-presidents, and George E. Hoffman, cashier.

Capital Increases Voted

The directors of the Granite City Trust and Savings Bank and the First National of Granite City, in addition to electing officers, both voted to increase their capital stock. The former raised its capital from \$50,000 to \$100,000, and the latter from \$50,000 to \$60,000. The officers elected were: First National, Marcus Henson, president; Emil Rammer, vice-president; W. J. Biel, cashier, and Ferdinand Vorwald, assistant cashier and acting director. Granite City Trust Company and Savings Bank: Ferdinand Kohl, president; A. W. Morris, vice-president; Ferdinand Vorwald, second vice-president; T. A. Nieman, third vice-president; Charles F. Steizel, cashier, and R. C. Barney and Fred Gillham, assistant cashiers.

Missouri-Lincoln Reorganization

Hanford Crawford has been chosen chairman of the special reorganization committee for the Missouri-Lincoln Trust Company. The appointment was made by President W. F. Carter on a resolution recently adopted by the stockholders. Other members of the committee are: Thomas Wright, vice-president of the Third National; former Circuit Judge Moses N. Sale, W. F. Carter, M. E. Hogan, H. A. Heussler and Aaron Waldheim. The preliminary meeting of the committee was held this week, and the various plans sub-

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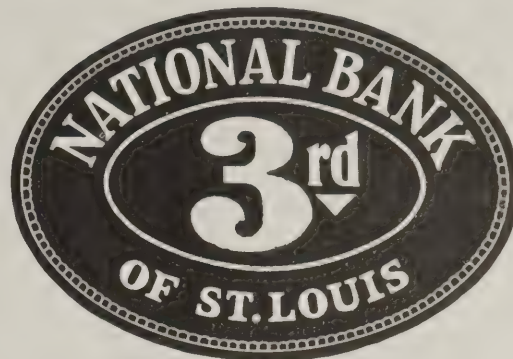
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Capital and Surplus \$3,000,000.00

We invite the accounts of Banks, Bankers, Manufacturers, Merchants and Individuals



CAPITAL
\$2,000,000

SURPLUS
\$2,000,000

DEPOSITS
\$35,000,000

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INVESTMENT SECURITIES

mitted for reorganization were examined. A final report is not anticipated until some time in March. The plan approved finally will be put up to the stockholders for their approval. It is hoped by that time that certain litigation in which the company is involved will be disposed of, and a better idea obtainable of the actual value of assets.

Sale of Capitol Bonds

The sale of the bonds for building the new Missouri capitol is not in the category of brisk and lively financial transactions, still it is progressing. This week the state fund commissioners announced the sale of \$124,000 more at par. The issue bears 3½ per cent. Propositions from banks and bankers in St. Louis, Kansas City and Chicago to handle the issue on a commission basis were received, and it is likely that one of these must be accepted if the bonds are to be sold. First, however, the commissioners are to bring a friendly action in the supreme court to determine if they possess power to pay a commission. The Mississippi Valley Trust Company made three propositions; one to sell the bonds at par and interest accrued for a commission of 3.987 per cent, and in case it failed to do so in fifteen days to take the entire issue itself at par and interest, the commission to be paid in either event. The second proposition was to sell the bonds for a commission of 4.35 per cent at par, agreeing to take the bonds at par if it failed. The third offer was a straight commission basis of 4.74.

Other Proposals Made

The New York Life Insurance Company, through Francis Brother & Co., offered to take the issue on a 4 per cent basis. This would be the same as a commission of 5.03 per cent.

Wernse & Dieckman of St. Louis bid for \$250,000 with a commission of 4.04 per cent, which was practically the lowest commission bid. Francis Brother & Co. made the next lowest commission bid, 4.21 per cent. The Commerce Trust Company of Kansas City agreed to dispose of the unsold bonds for a lump commission of \$83,557, provided the commissioners would deposit the proceeds of the sale in that institution. This bid was thrown out, owing to the irregularity of the latter portion of it.

Cone Celebrates Birthday

St. Louis is a city where bankers reach great old age, and the Boatmen's Bank and State National seem especially conducive to the accumulation of years. Charles S. Cone, for twenty-four years assistant cashier of the latter institution, this week celebrated his ninety-first birthday. He was the guest of honor at a dinner given to celebrate the event. Mr. Cone is hale and hearty, and feels confident he will turn the century mark.

Springfield, Mo., Clearings

The annual report of the Springfield Clearing House Association for 1911, which was posted at the annual meeting this week, showed total clearances of \$34,000,000, a gain of \$3,000,000 over 1910. Officers for 1912 were elected as follows: H. M. Smith, president; Holland Keet, vice-president, and S. E. Trimble, secretary-treasurer.

St. Louis Financier Promoted

William Foley, formerly bond officer of the Mercantile Trust Company, and until 1911, vice-president of the William R. Compton Bond and Mortgage Company, has been ap-

pointed representative of N. W. Halsey & Co., New York bankers, in France, Holland and Switzerland, with headquarters in Geneva, where he now resides.

SMALL OHIO BANK CLOSED

Columbus, Ohio.—The Farmers Savings Bank, at Haskins, was closed by order of F. E. Baxter, state bank superintendent, on Monday morning. State Examiner W. B. Hopkins was placed in charge. Failure to improve loan securities is responsible. The state superintendent said that the bank had been in an unsteady condition for some time, and the state banking department had been unable to put it on a healthy basis.

The paid-up capital stock was given as \$12,500. Superintendent Baxter said that the bank had not had a normal growth since its start, but the stockholders and depositors would not lose much by the closing and there was every promise that a full 100 cents might be paid.

The last statement made by the bank, December 12, 1911, showed deposits of public funds \$7,176.20, deposits subject to check \$8,210, time deposits \$8,990.59, savings deposits \$3,332.45; total resources \$40,209.24, including loans of \$30,404.70.

DENIED NEW TRIAL

New Orleans.—A motion for a new trial for Wm. Adler, former president of the defunct State National Bank, was denied in the United States court of appeals last week. Adler will now have to serve six years in the federal prison, to which he was sentenced some time ago for embezzlement.

Editorial Comment

A CHALLENGE TO GOMPERS

Ever since Colonel Roosevelt and President Schurman of Cornell gave it out as their opinion that the capture and conviction of the McNamaras by William J. Burns was the greatest personal accomplishment of the year 1911, in the whole world, reform clubs in every city have been inviting Detective Burns to dine with and talk to them. One evening last week he was at dinner at the University Club in Philadelphia, and in the evening addressed the members of the Contemporary Club at the Bellevue-Stratford, the room being completely filled, and the meeting being one of the most interesting and effective ever held by that able organization. This club is given credit for defeating the Philadelphia ring of grafters and for installing Mayor Blankenberg at the head of the civic organization. In the course of his talk Mr. Burns issued a broad challenge to Samuel Gompers, head of the American Federation of Labor to make public an accounting of the fund raised by organized labor for the defense of the McNamaras. This decidedly was the "hit" of the evening, and the Contemporary Club is to press the demand of Detective Burns that Gompers tell how the \$300,000 McNamara fund was spent.

To this enlightened and interested audience Mr. Burns declared that in his opinion the present situation in which organized labor finds itself cannot last. Those who heard the detective gave it as their opinion that if Gompers will give a strict account of the fund raised for the McNamaras, it will end his career as a labor leader. They also believe that if he refuses to give an account of this fund it will so far rob him of public confidence that he will be obliged to give up his position. Mr. Burns believes that until changes are made in the official list of the American Federation of Labor the destruction of property and of life also will continue. He told the Philadelphia Club that at the time he made the arrests in Detroit of McNamara, and of McManigal, they were living on money furnished to them by labor, and planning at the same time to blow up five places in that city. All of this was to have been accomplished before the following Monday night, so that a report might be made to the national board, which was to meet at Indianapolis, and at which meeting Mr. Gompers was present. Mr. Burns called attention also to the promptness with which Gompers charged him with planting the bombs which he "discovered" later, and had him accused in court with kidnaping the McNamaras contrary to law. Of this charge Mr. Burns has been acquitted by the United States courts, and the public long ago has approved of his entire action in the matter. In his talk at Philadelphia the detective went fully into the raising of funds and spending them for purposes of bribery and corruption, and told how public officials have been for a long time

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

abused and threatened with the political power of federated labor. He told the story of the breaking up of the Abe Ruef gang in San Francisco, with which the public is familiar. At the same time he explained to his hearers that much of the graft which Ruef collected and distributed came from men of their own station in business and commercial life and not all from criminals. We should like to see the press of the country take up Mr. Burns's challenge to Mr. Gompers to give a full and accurate account of the fund raised for the McNamara defense. Mr. Burns promised that if Mr. Gompers will not do that, he himself will undertake it with every expectation of doing a clean and illuminating job of it.

Mr. Burns paid his compliments to the average private detective agency and confirmed public opinion in this respect also. This great detective is quite different from most of his predecessors. Most of them spent their spare time in saloons, hobnobbing with crooks, gamblers and outlaws upon the most familiar terms. It never was certain when an agency had been employed to do a certain piece of work that they were not at the same time representing the opposing elements in the case. All of this has been changed under the new régime, and since Mr. Burns has been at

the head of the protective department of the American Bankers Association, there has been no compromise with bank crooks, no "assisted" escapes and no convicted safe blowers pardoned or paroled at his request. This alone puts Mr. Burns in a class by himself.

HOW TO SUCCEED IN LIFE

A Chicago millionaire the other night gave it as his idea of how to get rich, "to buy your overcoats in the summer and your linen dusters in the winter." This was a paraphrase, in a way, of Russell Sage's tart theory of how to beat the stock market: "Buy when the rest want to sell; sell when they want to buy." From Frederick Weyerhaeuser of St. Paul, by many thought to be a richer man than either Carnegie or Rockefeller, comes the following plan of how to be rich:

Make up your mind to work at something really worthy of work, and work hard.

The surest way to make money is to save money and to use what you save.

Don't be afraid of long hours or constant attention to your work.

Work can be made a joy, an economy, a pleasure, if you combine an object worth while with the determined ambition to win.

Work, where the interest of the man who works is centered, becomes a source of real gratification, of honest pleasure and accomplishment.

Any young man can get rich, can succeed in business, if he saves; if he has a definite and honest purpose, and is so filled with the purpose that work ceases to be a hardship and becomes a privilege.

Look at things with optimism in your heart. Go into some small business and work to make it into a big one.

A world-favorite—Thomas A. Edison—spoke (by proxy) at a Chicago banquet the other night. When his proxy rose to respond for the wizard of Menlo Park, that distinguished eccentric put into his hand a small piece of paper, on which he had written:

To the young men here to-night I would say: When you get a job, pitch into your work and pay no attention to the clock or to time. Think of nothing, talk of nothing but shop, and when the boss comes around pay no attention to him, but to your work, and, my word for it, when you want to leave for some other job the old man won't let you go, but will likely take you in as a partner.

Not a word about how he discovered the telephone, the electric bulb, the phonograph, the multiplex wire system of telegraphy, motion pictures with or without spoken parts, but his advice to young men. Surely, in all this there ought to be some soundness beyond the common.

NEW BANK FOR ROCK ISLAND

Auditor of Public Accounts McCullough issued a permit to Otto Huber, J. L. Vernon, Robert A. Wagner, C. B. Marshall, William Roth and G. O. Huchstadt to organize the German Trust and Savings Bank, to be located at Rock Island. The capital stock is \$100,000.



E. W. DECKER
New President Northwestern National,
Minneapolis, Minnesota



The Northwestern National Bank

MINNEAPOLIS, MINNESOTA

Capital and Surplus \$5,000,000.00

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FRANK E. HOLTON	-	-	Cashier	W. M. KOON	-	Assistant Cashier

"THE BANKERS' DISPOSITION TOWARD THE BANK MAN"

"Is it profitable to pay men what they are worth—profitable when unnecessary?" asks George R. Martin, publicity manager, Seattle National Bank. "Men will take less or leave. If they leave, a host stands ready for the vacant places. But how about the places? Will work suffer by frequent changes? Somewhere in the heap of statistics, it is written, that regardless of the frequent changes, the work in general, will average up—fairly done—all sufficient to keep the wheels moving and pay the dividends.

"There are still in the banking world men who think in this way and believe their thoughts are truisms. Some have the same ideas or similar ones in more or less modified form. A regrettably large number, either prejudiced by circumstances or experiences in their own road to success, or by innate narrowness of mind, execute such ideas in their banks in spirit and with precision. The interest of such bankers in the men they employ is conscious only to the point of keeping the place in the machine filled. Dividends, and dividends alone, label their sole purpose in life. Burdened themselves by conditions of their own making, they refuse to lighten the burdens of those around them or assist in making work more of a joy, less a breeder of dissatisfaction with that spirit of don't care, dead in its quality of warping and stultifying the ambitions of developing men. But the day of such bankers is vanishing, and vanishing as fast as banking is growing with larger powers of usefulness to the people by combination and counter combination. The question is not one of sentiment, but how to get real efficiency; not a question of mere sympathy but economic principle. And whatever is the purpose of the banker of to-day and no matter how closely he watches the ebb and flow of golden dollars, greater organization—system evolving highly specialized departments (little banks in themselves), points out to him, definitely and surely, the need upon every hand for men of ability, teeming with aggressiveness, enthusiasm, and cheerfulness; men broad minded, independent in thought—leaders, out of ruts and beaten paths—not followers into them. The full-sized man is in real demand to-day. He will find abundant opportunity to display his talents and make recognizable his merits. Few bankers in this country will give up a man who has been tried and not found wanting or refuse him a promotion which he deserves, when the opportunity permits. Money speaks with as great an emphasis as ever, but the day has gone by when a banker's son without capacity for management can succeed to his father's position over the heads of worthier men. The time has at last been reached, when

blocks of stock do not measure a man's ability to guide the affairs of a great modern bank. It is the recognition by the modern banker and business man that the precept "business is business" includes justice to the men who help create that business; and when justice becomes a part of a man's business, the resultant is harmony and good will among all concerned, more interest taken in the business, and thus more business.

"The change in the bankers' disposition toward the bankman from indifference to one of personal interest has been wrought within the last ten or twelve years. This is plainly discernible in the refreshing generous spirit of co-operation, which is now felt in most of the banks of the country. It is noticeable in the way bankers everywhere, view with satisfaction their efforts in establishing the American Institute of Banking, providing the bank men of every city in every state with a means of increasing their knowledge of finance and which has done wonderful work in developing men for official positions. In many banks careful attention has been given to the environment of their clerks—plenty of light and room. Private lockers have been installed. Financial books and magazines are put at their disposal. Long hours have been eliminated by supplying adequate help and injecting more system in routine. In quite a few banks profit-sharing has become a custom—dividing a certain per cent of the earnings each year with those connected with the bank, while in nearly all others, sums from a full month's salary down are presented to the clerks each year at Christmas time.

"The American Institute of Banking is proving of inestimable value to the bank men of the country. If it has done nothing else but through the various chapter meetings widened the horizon of young men in banks, who are without the advantage of a fair education, its organization has been worth while. Nothing strikes a harsher—a more discordant note in now-a-days business life than narrowness and short-sightedness in an individual; nothing is so refreshing as meeting with a man who is broad minded, tolerant, cheerful, optimistic. The elbowing contact with men of every type and temperament and the interchange of ideas at the chapter meetings has that broadening effect. The older bankers themselves are beginning to recognize an active chapter man at sight. He has personality—magnetism—in some subtle way or other carries people with him, and yet, about him always a quiet poise and dignity.

"Education is the governing principle in the Institute work. It includes study courses covering not only practical banking, political economy, commercial and banking law and negotiable instruments, but every phase of

modern finance. The whole field of banking is brought to the bank man, practically without cost, for him to take or thrust aside as his ambitions and inclinations dictate. The system consists of correspondence and class room instruction and personal research. The chapters which have permanent club rooms like Seattle Chapter, aside from the regular meetings of the educational classes, have general meetings once or twice a month, at which some prominent banker, educator or professional men addresses the chapter. Debates and discussions are important features of the meetings, including parliamentary drills and practice in public speaking. Especially has public speaking been fostered in many of the chapters. Never before in the history of banking, have so many demands been made upon the time of bankers everywhere as are being made to-day, for speeches before clubs and organizations of every conceivable nature. The banker's viewpoint is sought upon almost every vital question, whether it relates to banking, business, law, or some movement for betterment in civic and political affairs. His intimate knowledge of men and their affairs; his close contact with enterprise and city and country up-building seem to naturally fit him for his task—to verily make of him a compelling force in financial, business and political life. What a power for good or ill is this banker of to-day! Years have not diminished but increased his powers of usefulness. Not dollars alone, but himself must he contribute to assist in solving the entangling economic and social problems, which will ever confront a people. No wonder he is thrusting Mr. Junior banker forward. A good start he will undoubtedly need."

POSTAL SAVINGS IN MEXICO

In the near future Mexico will install a postal savings system identically the same as that being operated in the United States. Postmaster-General Hitchcock's certificate of deposit idea, on which our system is based, is considered by the Mexican officials as superior to the pass-book methods used by the European countries.

The same system has been adopted for the Canal Zone, where it will be put into operation in the very near future for the benefit of workmen engaged in building the Panama Canal. A copy of the certificate, which is very similar to ours, for use on the Canal Zone, has been received by Mr. Hitchcock, and it is understood that everything will be made ready for the opening within the next month or so.

The Bank of Ettrick (Wisc.) has been incorporated with a capital of \$15,000. J. Pederson is president, E. J. Brovald, vice-president, and H. W. Clausen, cashier.

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

Commercial Bank Credits

Address before San Francisco Chapter, by E. W. Wilson

Bank credits began with the beginning of the banking business. In the earlier days of banking the reputation of the individual or concern was the controlling factor that led to the granting or withholding of credit. As the business grew in volume, and extended over wider territory, financial statements, mercantile agency reports and technical business history were necessary, and credit investigation was a logical development.

It has been but a few years since it was regarded as an affront to ask an applicant for a loan to furnish a detailed statement of his assets and liabilities. To-day, however, he expects to furnish this statement and give references if he happens to be unknown to the bank to which he makes application. Even the public has taken an interest in bank credits. In the last decade this interest has developed to the point of enacting stringent laws for the public supervision of bank credits. These laws cover in detail what is permitted and what is prohibited in the making of loans. This is a direct result of an aroused public sentiment against banks and bankers because some of them have failed to recognize the difference between Mine and Thine. The custom on the part of certain bankers to loan depositors' money to themselves and their associates, sometimes openly and above board and in the belief that it was right and proper, and sometimes secretly and designedly, using dummies and other means of deception and deceit, was the direct cause of the greater number of our bank failures.

The former class, as the result of education and experience, have changed their policy, and most of the latter class, through the aid of bank supervision and the criminal laws, have changed their business, and some of them their postoffice addresses. The history of the failed banks for the past ten years has made it certain that you cannot safely loan depositors' funds to yourself or to those with whom you are financially interested. Personal interest seems to prevent the careful judgment necessary to safely loan money.

A commercial bank deals more exclusively in credits than any other business institution. As the margin of profits in banking is smaller than in other lines of business, greater care and exactness are necessary. The purposes for which money is desired may be considered under three heads. First, capital for speculation; second, capital for investments; and third, capital for trade and commerce. Speculative capital is employed where there is some question about the final outcome. As a rule, money used for this purpose does not create wealth. More often it tends to take the profit from other enterprises.

Capital for investment is used in the creation of business ventures of the permanent kind, such as the erection of mills and factories, the building of railroads, the development of irrigation enterprises and other similar business projects. In this class, the

withdrawal of the money advanced would prevent continuing the business, and therefore is called permanent investment. Capital for trade and commerce is intended for temporary use. It pays the farmers for their crops, and the railroads for moving them. It aids the manufacturers to deliver the products of their plants and accommodates the merchants during periods when their stocks are above normal, or to anticipate returns from sales made, or to aid in making deliveries. It is for furnishing money for trade and commerce that a commercial bank is particularly organized, and it is about the loaning and safeguarding of a commercial bank's funds that I am expected to speak. In caring for credit needs, the banker occupies a middle position, standing between the borrower and the depositor. The control of credit is not a selfish one, but a commercial trust to be administered in a way that will insure the loyalty of customers, and at the same time with a conservatism that will guard against loss to the bank as well as to the borrower. It is necessary to know the borrower as well as to be familiar with the channels through which the money asked for is to be used.

The bringing into existence or promotion of unsuccessful enterprises by aid of a commercial bank credit is a positive injury to the business community. Losses from failures are never confined to those directly interested, but extend to sound enterprises and worthy institutions. In order that these losses may be minimized, the borrower's ability to pay must be studied and often the purpose for which the money is to be used looked into and approved. In making loans there are many elements that go to make for safety. There are also many indications that are danger signals. Among the principal elements to be considered are capital, character and ability. Capital is of one value when it has been acquired by accumulation, the result of economy, industry and careful management, but of a lesser value when the applicant for the loan has acquired property by speculation, accident or inheritance. The value of capital for credit purposes depends also upon whether it is so invested as to be available on short notice, or whether it is tied up in real estate, furniture and fixtures, tools and machinery or other slow and doubtful assets.

Character as used and considered in this connection means habits—associates—past record. Business character means present reputation earned by years of square dealing and prompt paying.

Ability, with its many variations, is willingness coupled with apparent capacity to meet promises to pay in accordance with their terms. Each application does not possess all these favorable elements, neither is it necessary that it should. There is where the credit man's judgment is put to the test. To illustrate. Would it be advisable to give aid to a man who had failed in business and made

a partial settlement with his creditors? Is it safe to extend credit to a man who is dishonest, but who has capital? Or to an honest and industrious man without ability? Or to a capable and economical man if he has an idle disposition? Or to an honest and capable man if he is a drinker or a gambler? A loan application rarely has behind it a combination of all the good elements. Therefore it is necessary to figure on some of the above shortcomings in almost every case presented for consideration. There are two ways of making mistakes in passing upon loans. One is to make a loan and the other is to refuse to make it. The loss of money from an error in judgment in saying "Yes" when you should say "No" when an applicant is entitled to a favorable reply has been known to give bankers a reputation for conservatism when their institutions were dying of dry-rot. Volume of business is just as necessary in banking as in a grocery store, otherwise rent, clerk hire and general expenses not only consume the profits but make inroads on the capital. There are some well-known rules concerning credits that are generally agreed upon in the abstract. It is when these rules are being applied that differences of opinion arise.

The credit man can obtain the experience of others in given lines of business and gather all the information obtainable in a particular case, when he will discover that there is still some unknown factor—a certain amount of uncertainty. This unknown factor is frequently termed a business risk. The law of average is expected to and will take care of a certain business hazard or risk.

The fire insurance underwriter is constantly studying his hazard. He collects, tabulates and keeps for future use and guidance his experience with losses. If the percentage of his loss ratio to his premium income is too high and continues too long his company must retire from business, and be classed as one of the unsuccessfuls. There is a similarity between the respective hazards of the fire insurance company and the banker. It is, however, necessary to admit that the underwriter is more scientific and accurate in his work. His record of experiences is complete and of great aid. He knows of to-morrow by the happenings of to-day. The banker, as a rule, conceals from his fellow bankers his losses, what they are and how they occur. However, great progress is being made in studying and analyzing bank risks. Public accountants in experting books, proving accounts, checking inventories, and engineers in making appraisements are advance steps in reducing risks and minimizing losses.

The credit man must have affirmative information concerning the applicant for a loan, and the first thing he looks for is convertible assets, their proportion to liabilities, where the money with which to repay is to come from. Furniture and fixtures or machinery and buildings will not serve the purpose. The



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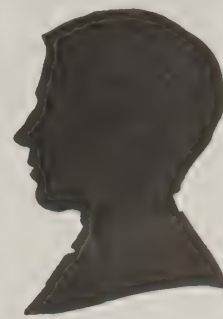
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value of convertibles depends upon the kind, the season, location, condition of the market and numerous other things. Three things are safe to assume. First, assets will not increase; second, liabilities will not decrease, and third, the sheriff or receiver will realize but from 25 to 60 per cent of the inventoried price.

Great aid in passing upon these problems can be obtained from the history of a business. The institution that cleans up its liabilities each season is usually safe. The institution that keeps statistics of its affairs, such as volume of business, percentages of loss, of expense and of profit to gross income, and finally the net results, is in a position to sight danger, and usually sees it in time to prevent any loss to borrowed capital. Effective and profitable missionary work can always be done in advising and urging customers to thoroughly systematize their business. When this advice is followed, the customer is able, by the aid of the business compass, to discover the direction in which he is headed. The man who has the ability to understand and control his affairs relieves you of much responsibility. If, after investigation, you are in doubt about a manager's capacity to successfully handle his business, retire early.

NEWS OF CHICAGO CHAPTER A. I. B.

By OTTO J. KRAMPIKOWSKY.

The eleventh annual banquet of Chicago Chapter A. I. B. will be held Saturday evening, January 27, 1912, in the Red Room of the Hotel La Salle, at 6 p. m. John W. Rubcamp, chairman, as well as J. H. Ashley, secretary of the banquet committee, are both working hard to see that all arrangements are properly taken care of, and to make this the banner banquet given by the chapter so far. The speakers will be some of the most prominent men of to-day, as shown below:

George M. Reynolds, president of the Continental and Commercial National, who is a member and strong supporter of Chicago Chapter, will speak on the "Value of Institute Work." Mr. Reynolds is well known by all members of Chicago Chapter, and the subject on which he will speak will no doubt be very interesting as well as instructive to chapter members.

David Kinley, Ph.D., LL.D., dean University of Illinois, will lecture on "Some Responsibilities of a Banker."

Hon. Marcus Kavanagh, judge appellate court, who will speak on the subject, "The Citizen's Part in the Administration of Justice."

Rev. Wm. White Wilson, rector St. Marks Episcopal church, will speak on "Hope on, Hope Ever."

From the outlook it is quite evident that this banquet will surpass all those heretofore given by the chapter in both interest and attendance.

Wichita Chapter

The Wichita (Kan.) Chapter of the American Institute of Banking held its first annual meeting in the Wichita Chamber of Commerce the night of January 11th. This chapter includes members from adjacent counties and there were present at the annual meeting junior bankers from Newton, Wellington, Hutchinson, Eldorado, Winfield and several other nearby cities. The officers of the Wichita Chapter are E. C. Clairborne, president; Clyde A. Shup, vice-president; Frank Mosbacher, treasurer, and Leland Scrogin, secretary. The board of governors: O. L. Jacques, D. E. Wire, Frank Mosbacher, E. C. Clairborne, Leland Scrogin, Andrew J. Boyd, Clyde A. Shup, G. E. Outland and C. T. Abell. Frank T. Ransom, president of the Stock Yards National Bank, read a paper on "Ethical Points in Banking," after which there was a contest in mental arithmetic for which prizes were awarded. Prize in the first contest was won by H. A. Beck, Kansas National Bank; second contest, Walter Feldner, National Bank of Commerce. Former Senator Chester I. Long talked informally of banking methods and cited the cases of many successful men who had started their careers as bank clerks. The paper read by Mr. Ransom on "Ethical Points in Banking" was of especial interest to young bankers. In part Mr. Ransom said:

This is indeed a pleasure, a great pleasure, to appear before this splendid body of young men on what might well be called your first meeting as it is in reality the beginning of your chapter work. While I firmly believe

that the banker is born, and not bred, yet a development of his latent talents is essential and there never has been devised a method nor a system that equals the plan of the American Institute of Banking. However, it is very necessary for you always to bear this in mind, that whatever of good to you individually and collectively there is to be derived from this association depends primarily upon each individual member—that is to say, upon his willingness to put his shoulder to the wheel and keep things going. No matter what assistance you may receive from the banks in Wichita, from the national association or any other source, remember this, that these things do not represent the force, the power, the vitality of your chapter.

Dynamic Force Is Within

The dynamic force that will carry you on to achievements must be within your organization. That organization is essential to development is true, but vastly more important is the fact that the members of the organization must be fairly riveted together and unified, as it were, and then this tremendous force and power centered upon the accomplishment of a specific and worthy purpose. It might be well to say to you that while you have your written constitution and by-laws for your guidance, there yet exists a more powerful factor, a more binding power and a more ennobling cause which, though not expressed in words, yet surrounds and permeates your organization.

Drop Narrow Ideas

This cosmic force is the ethical obligation you owe to your fraternity. Upon entering this fraternity you must leave behind you the idea that you work for number one or number two or any special bank. You must drop that narrow partisan idea, that false pride in perhaps the only bank that you have ever served. When you enter this work you are no longer the employee of a bank, but you are a member of the banking fraternity which reaches every nook and corner of this land of ours and you must hold yourself in communion with your fellows. I do not mean that your interest in and loyalty to your institution should be or would be lessened because a clerk that does not respect and honor the officers of his own bank and believe that it is the best bank in town is doing both himself and his bank an injustice by staying there, as there is certainly an ethical proposition involved. When you meet here, "forget it" and get together on the broad ground of "the advancement of our fraternity for the common good of all."

What Banking Means

It is stated that in London a given amount of legal reserve money deposited in a bank develops a credit power of 20 times that amount. In New York City the per cent is not so great, while taking the United States as a whole it

(Continued on page 29)

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

For more than a week practically every foot of the Central West has been covered with a blanket of snow. Although this is hailed as insuring a wheat crop, it is proving a serious matter to stock raisers and feeders, many of whom have suffered serious losses of stock because the animals were unable to get grass. Speaking of these conditions, President E. F. Swinney, of the First National Bank of Kansas City, said: "It appears that most of the big feeders are prepared for this very emergency. One man who wrote me had on hand 1,500 tons of Kaffir corn and another was fortified by having three cars of 'cake' of stock food. Others, I have been informed, had laid by hay, corn, fodder and the like and will weather the storm in good shape. Do you know that stock will eat twice as much in cold weather? I know from experience. Over on my farm near Excelsior Springs I have fifty head of shorthorn cattle, and about the same number of Percheron mares and colts. The man in charge of the place telephoned me that they are eating about three loads of hay a day." Mr. Swinney said he had received many letters indicating that stock cattle, meaning cows and calves, are suffering from the severe weather, but that steers that are being fed for market are in good condition.

Plan Violates Anti-Trust Laws

The state-wide plan to abolish overdrafts, which has been progressing satisfactorily among the bankers of Texas, has been declared in violation of the anti-trust laws, by the Texas attorney-general. Bank Commissioner Gill has sent a letter outlining the opinion to each bank examiner with instructions that all the state banks be notified that the agreement suggested will be in violation of law. The Gill letter says: "Recently, in co-operation with the federal comptroller of the currency, I have undertaken to reduce and eliminate from the banks of Texas the custom of permitting overdrafts, and have recommended agreements between the banks of the various towns and cities in order to have a uniform and effective method. To this end, a number of banks have already adopted the plan, and many others have expressed their intention of doing so. I have asked the attorney-general in this connection if such an agreement would be in violation of the anti-trust laws of Texas, and have to-day his opinion that it would be, so that it becomes necessary for me to advise that no further agreement of this character should be entered into, and where such agreements have been made that they be canceled and not acted upon. This does not alter my opinion in the least that the custom is an unsafe practice and should be, as far as practicable, discontinued in the interests of sound banking, voluntarily upon the part of the banks."

Attempt to Blackmail Failed

Last May a particularly crude effort was made to blackmail W. S. Webb, vice-president

and cashier of the Missouri Savings Bank of Kansas City. A man named David Lewis of uncertain occupation entered the bank and left a letter on Mr. Webb's desk demanding \$1,500 and threatening Mr. Webb because of his alleged attentions to Mrs. Lewis, who was a hairdresser and had visited the Webb home to dress Mrs. Webb's hair. In her testimony given in the trial of the case the other day, Mrs. Lewis glibly told a story of how she had met Mr. Webb at various places down town and had gone with him to a certain hotel. The whole case was so ridiculous that the jury made short work of it and brought in a verdict of one year in the penitentiary and \$50 fine against Lewis. Mr. Webb has lived in Kansas City all his life and his willingness to undergo the publicity the affair caused in order to punish a blackmailer was widely applauded.

Banking Changes in Kansas City

Three vacancies on the board of directors of the National Reserve Bank of Kansas were filled last week by the election of J. M. Coburn, F. H. Burrough and J. B. Jenkins, vice-president of the Mercantile Bank of Moberly, Mo., who is also treasurer of the Missouri State Bankers Association. Three vacancies on the board of directors of the National Bank of Commerce were filled by the election of J. T. Bradley, Eugene Rust and F. D. Whiting. Homer B. Mann, for many years a prominent politician in Kansas City, was elected director of the Mercantile National Bank, of Kansas City. B. T. Whipple is a new director of the New England National Bank of Kansas City.

State Guaranty Sufficient

Judge Pemberton of the Beatrice, Neb., district court has ruled that the Nebraska state guaranty is sufficient for the protection of the deposits of municipalities and city funds. This will, if it is sustained, settle a matter that has been in dispute in Nebraska for a long time.

Bank Robbers Routed

During the recent severe cold weather two men wearing black masks entered the Dale State Bank of Dale, Okla., and covered the cashier, Dillard Saylor, with a revolver. They demanded that he hand over all the cash that was in the drawer. Saylor made a motion as though to comply with the demand, when Vice-President Patton, who was in the rear of the room and unseen, opened fire upon the robbers. They fled and a posse chased them far out into the country but lost the track on account of the cold and darkness. There was nearly \$17,000 in the cash drawer of the bank at the time of the attempted robbery.

A. G. Boyce Killed

J. B. Snead, president of the Bank of Amarillo, Texas, shot and killed A. G. Boyce Sr., also of Amarillo, when both were guests at a Fort Worth hotel the night of January 13th. Boyce was the father of the young man who

eloped with Mrs. Snead a few weeks ago and took her to Canada. Snead followed the pair and brought his wife back to Texas, where he placed her in a sanitarium. Young Boyce is still in Canada. Just why Snead killed the elder Boyce is not known but it is presumed that there was a family feud. Both families are very wealthy, being among the biggest cattle ranchmen of the Southwest.

Banks' Affairs Not Yet Straightened Out

The complicated affairs of the American Union Trust Company and the All Night and Day Bank of Kansas City, Mo., and Kansas City, Kan., have not been straightened out. Bank Commissioner Swanger of Missouri says that the chances of liquidation of the institution and its allies seems good but he admits being disappointed in realizing on the assets of the company. Mr. Swanger has collected nearly enough on the bank's liabilities to pay the depositors but there are other obligations that have equal claim to consideration.

Central West Notes

J. W. Hoopes, secretary of the Texas Bankers Association, has announced that district meetings have been arranged for next month as follows: At Dallas, February 13th; Houston, February 14th; San Antonio, February 16th; Austin, February 17th; Waco, February 19th; Brownwood, February 20th, and Fort Worth, February 22d.

Fire destroyed the home of Peter Shiras, vice-president of the Peoples National Bank of Ottawa, Kan., on January 13th, causing a total loss of \$20,000.

An exceptionally large number of Nebraska corporations have neglected to pay the 1911 corporation tax entitling them to continue business in that state. Among the delinquents are several important banks and trust companies.

State Treasurer George of Nebraska has compiled a statement of the amount of bonds of other states held by the Nebraska permanent school fund which have been sold and the proceeds invested in Nebraska securities. The report shows that bonds of the face value of \$1,017,000 have been disposed of at a premium of \$8,418.

Fire originating in the basement of the Mound Valley Bank of Mound Valley, Kan., destroyed the building, causing a total loss of bank fixtures. No valuable papers were lost, as they were in the bank's vault, which is fire-proof.

The filing of a suit in the federal court and the granting of an injunction to prevent the present officers of the Aetna Building and Loan Association of Topeka, Kan., from obtaining proxies for the annual election, has resulted in serious trouble for the second largest financial institution in Kansas. For several months there has been a war between



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two factions seeking to gain control of the Aetna. J. N. Dolley, bank commissioner of Kansas, has been a prominent figure in the struggle.

Officers and directors of the First National Bank of Chickasha, Okla., have announced that they give liberal aid to the farmers in the neighboring country who desire to secure good seed corn for next season's planting. C. B. Campbell, president of the bank, advocates a liberal plan of loans for seed corn securities.

Twenty-three of the twenty-eight officers and directors of the National Bank of Commerce of Kansas City, had dinner together one night last week. The affair was in the nature of a reunion and to promote good fellowship.

A. M. Ott has been re-elected president of the Christman-Sawyer Bank of Independence, Mo. The other officers are: First vice-president, John R. Cogswell; second vice-president, T. C. Sawyer; cashier, I. N. Rogers.

Ensign H. C. Ridgeley, who was injured recently on board the torpedo boat Smith at the Norfolk navy yard, is a brother of W. B. Ridgeley, formerly of Kansas City. He was president of the National Bank of Commerce and comptroller of the currency.

Four years ago George J. Gillman was catching on the Kansas City, Kan., high school nine. A few days ago he was elected cashier of the Kansas State Bank of that city, having been a bank director more than a year. He is twenty-four years old and believed to be the youngest bank cashier in the Central West.

The Bank of Forsyth, Mo., was organized January 6th with a capital of \$15,000. N. T. Grant is president. The Bank of Grove Springs, Mo., was also organized at the same

time with a capital of \$10,000. A. H. Hawkins is president of the latter institution.

The Columbus State Bank of Columbus, Kan., at its annual election chose W. B. Morton president to succeed Dr. C. S. Huffman, state senator and brigadier-general of the national guard. The Citizens State Bank of Garnet, Kan., has changed hands. E. Melliott and B. Bailey, who started the bank fourteen years ago, sold to W. W. Gowdy and E. M. McDowell. Gowdy will be president and McDowell will be cashier.

C. C. Rushing, a banker of Walnut Springs, Texas, died suddenly, January 6th, at Fort Worth. He was 35 years old and had been in ill health for several years.

The postal savings bank in Kansas City, Kan., has \$50,000 in deposits.

Several bankers are among the applicants for parole from the federal prison at Leavenworth. They are: H. G. Gall, Milwaukee; H. H. Tiers, Pittsburgh; Fred Lubbo, F. Cochran, M. P. Emerich and Paul C. Gall of Indianapolis.

Mrs. Minnie Y. Trickey, four years president of the Commercial State Bank of Rosedale, Kan., a suburb of Kansas City, has been re-elected for another year. Mrs. Trickey is also city treasurer of Rosedale.

Emporia, Kan., will issue \$100,000 in bonds for a new high school building.

Sam Sanger has been elected president of the Brazos Valley Trust Company of Waco, Texas, recently organized with a capital of \$500,000. The following are the vice-presidents: S. J. Jennings, Waco; I. A. Goldstein, Waco; G. W. Cole, Belton, and F. M. Gardner, Waco.

The building occupied by the DeSoto (Kan.) Bank, of which Governor Hadley of Missouri is the principal owner, was destroyed by fire the night of January 5th. All the bank's furniture and fixtures were destroyed, the loss being about \$6,000.

The Kansas public utilities commission has authorized the Winnipeg, Salina & Gulf Railroad Company to issue \$29,997,000 in bonds for construction work. The road is projected from Winnipeg, Canada, to the Gulf of Mexico, with various branches in Kansas and Oklahoma.

Another skirmish in the fight of Hugh A. Burrell, the Indiana banker, for his liberty will take place soon. Burrell is in Oklahoma City, Okla., where he is opposing extradition to be taken back to Jackson county, Ind., where he is charged with embezzling \$79,000 from the Peoples State Bank of Brownston, Ind. After the failure of the bank he came to Oklahoma City.

The Texas legal department has approved a \$1,250,000 bond issue for the Harris County Houston Ship Canal district. The money will be used to dredge the channel between Houston and the deep water of the Gulf.

George H. Bird has been elected secretary-treasurer of the newly organized Republic Surety, Fidelity and Trust Company of Dallas, Texas. Mr. Bird had been connected with the Commonwealth National Bank of Dallas for nine years.

L. D. Gass, cashier of the First National of Danville, who has been seriously ill for the past weeks, is reported better. He had been unconscious for three weeks. Mr. Gass is past grand chancellor of the Illinois Knights of Pythias.

The Security National Bank of Minneapolis

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A continuous business experience of thirty-three years has given us a thorough knowledge of the banking needs of the Northwest, thereby enabling us to give your business intelligent and satisfactory attention.

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

After a long campaign to make the farm agreeable to the people the Minnesota Bankers Association has decided to bring the banker to the farm in a practical way. The scheme is to hold the next state convention at the state farm school of the University of Minnesota. The date is June 14th and 15th. The executive council, G. A. DuToit, chairman, at a meeting in St. Paul asked to have arrangements made and Dean A. F. Woods of the college acquiesced. Announcement was made at the state agricultural society meeting also, to cheer up the farmers with the thought that the bankers, after telling other people how to do it, are going to get right down to business and learn some intimate details of practical farming by absorption.

The regular course at the farm school closes the day before the convention, and the teaching staff will remain on the job to give the bankers a few pointers. Each banker is expected to carry a supply of oats straw to chew through the sessions.

"Representatives of 920 banks of Minnesota will have the opportunity to see for themselves what the state agricultural college is doing," said Joseph Chapman. "It will be a bankers meeting, unique in the history of the country, will be a good thing for the bankers and for the college, and incidentally will mark another new departure on the part of Minnesota in the work of bringing the bankers into close touch with the farm."

It is expected that James Wilson, secretary of agriculture, will attend the meeting, and that many prominent educators and agricultural experts will be present.

Changes at Northwestern National

The accounting force of the Northwestern National has been reorganized following the resignation of Assistant Cashier E. L. Mattson. R. S. Hume of the discount department will have charge of the exchange; H. S. Libby, head of the discount department, will be auditor; S. H. Plummer, auditor, has been

made chief clerk of the office force; R. S. Swanson of the exchange department goes to the discount. H. E. Cass, transit department, goes into the railroad contracting business and L. V. Rose, assistant chief, takes his place.

W. F. McLane

W. F. McLane, cashier of the Hennepin County Savings, has been elected treasurer of the Hennepin County Juvenile Protective League. Mr. McLane immediately afterward made an address before the Minnesota Retail Implement Dealers' Association on "Exchange on Local Checks."

Chapman Addresses Minnesota State Agricultural Society

Before the Minnesota State Agricultural Society Joseph Chapman, Jr., said the trend of education has been away from the farm, and it is proposed to bring about changes that will make the child more fully understand the relationship of education to practical life.

"We are going to keep the country children closer in touch with farm life and not try to make city people of them." Mr. Chapman said, "and we are going to make the city children understand the importance of the country, and how little the city would amount to if it were not for the country."

To Have New Building

In sixty days the Galesville, Wis., Farmers and Merchants State Bank will move into its new building. Officers elected are: President A. O. Nelson, LaCrosse; vice-president, G. H. Lawrence; cashier, J. A. Berg; assistant, G. O. Sage; new directors, A. J. Nelson, A. T. Twesme, J. A. Berg, G. H. Lawrence, J. M. Benrud, John Dick, F. J. Stellpflug and S. D. Grover. A 7 per cent dividend was ordered and \$500 was carried to surplus.

To Prove His Innocence

To show he was a goat, W. E. Poe, former city auditor at Williston, N. D., and pardoned, has asked the banking department to

discover to the officials errors alleged that city and county officers report they cannot find. That he was the butt of others' crooked work is the plea of Poe and he wants to prove it through the state bank examiners.

Banking Notes

The Farmers and Mechanics Savings Bank has adopted a pension system for officers and employees based on salaries. The beneficiaries and the bank will both contribute to the fund. In case of old age, incapacity and death the benefits will inure. In the latter instance the money goes to the family of the dead one.

Plans are being drawn for a new bank building for the First State of Plummer, Minn. It is to be a 2-story brick, 24 by 40 feet.

On January 1st Minnesota was drawing interest from \$18,585,365 in securities ranging from district school bonds to eastern state bonds. From 3½ to 4½ per cent is received.

The American State Bank of Sturgis, S. D., has been formed.

F. V. Langfeldt, late of Durant, Iowa, has bought a half interest in the Bank of Bowdle, S. D. New officers are: President, F. C. Langfeldt; vice-president, William Mathieu; cashier, W. G. Mathieu; assistant, H. H. Cook.

C. W. Farwell, assistant cashier of the Northwestern National, has gone to Biloxi, Miss., to get well.

From Grafton, N. D., it is reported that the bank deposits of Walsh county institutions divided the men, women, and children would give each \$154. The banks have combined resources of \$3,692,257, and deposits of \$2,883,639. The farmers still have a lot of grain on hand.

E. B. Page, president of the Devil's Lake State, N. D., has been elected cashier of the Union National, Grand Forks. A. I. Hunter, former cashier, becomes acting vice-president. Stephen Collins is president. Mr. Page has

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President, Citizens' National Bank.

CHAS. A. DISBROW,
President, Commercial Bank.
HARRY W. DAVIS,
HARRY HERTZLER,
President, Carlisle Trust Company.

HARRY D. JONES,
Cashier, Pennsylvania State Treasury Department.
MERKEL LANDIS,
Treasurer, Carlisle Trust Company.
GEO. O. MOTTER,
Cashier, Peoples' National Bank.

been in the banking business at Devil's Lake, Leeds, Pleasant Lake, and Westhope.

W. E. Lee, cashier of the Bank of Long Prairie, former president of the Minnesota Bankers Association, has come out as republican candidate for governor.

W. I. Prince, former state president, has resigned as cashier of the City National of Duluth, Minn., a position he has held nine years. H. S. MacGregor was made cashier to succeed Mr. Prince.

E. J. Weiser has been elected president of the Fargo First National to succeed Congressman J. B. Hanna. Absence from the city caused Mr. Hanna to ask to be relieved of the active position. The First has a capital and surplus of \$250,000. In 1906 it was merged with the Red River Valley National. Mr. Weiser, since that time, has been in active management. The bank inaugurated the \$1,000 corn contest in North Dakota.

BANK EXAMINATIONS TO BE MORE PROMPT

Comptroller of the Currency Murray has issued two important orders relating to the examination of the national banks. On investigation he has found that a large list of banks, which are overdue for examination, has been maintained in his office for years past. He has now resolved that every bank must be examined at the time the examination is due.

Mr. Murray has also found within recent months that in cases where a bank examiner reported adversely to certain conditions in a national bank there would frequently be a rush of bank officers to Washington for the purpose of complaining of the findings made and occasionally of criticizing or attacking the examiner. The thinks it is due to national bank examiners that they should be present whenever their work should be placed under fire. This ruling, it is believed, will prevent unnecessary complaints being filed and at the same time permit of a more speedy consideration of complaints, as the whole matter can be discussed fully at one hearing.

INDICTED BANKER DROPS DEAD

Cincinnati, January 16.—Thomas F. McClure, who was president of the Metropolitan Bank and Trust Company of this city, when it was closed by state bank examiners two months ago, dropped dead in the federal building to-day. Following the failure of the bank McClure was indicted by the Hamilton county grand jury on the charge of receiving deposits when he knew the bank to be insolvent.

McClure was about fifty years old, and had not been in good health since the revelations concerning the Metropolitan Bank. His case had not been set for trial.

Indiana

A report made by the comptroller of the currency on the condition of the national banks of Indiana is highly significant as indicating the general prosperity that prevails throughout the state. As far as banking is an index—and it is considered a very reliable one—the indications are that the year 1912, just beginning, will be one of progress and prosperity in Indiana. The figures given in the report are based on the last call for bank statements which were sent out on December 5th in comparison with the call of November 10, 1910. This is the nearest approximation that could be secured of the one-year period.

The report makes the following comparison: Total resources—1910, \$225,253,329.74; 1911, \$233,884,364.74. This is a gain of \$8,631,035.

Individual deposits—1910, \$132,031,660.96; 1911, \$136,350,161.24, a gain of \$4,318,500.28.

Loans and discounts—1910, \$125,553,497.02; 1911, \$128,041,618.95, an increase of \$2,488,121.93.

The figures given above are for the entire state of Indiana, and include the national banks of Indianapolis.

The report for Indianapolis alone shows the following interesting comparisons:

Individual deposits—1910, \$22,686,364.05; 1911, \$22,810,062.36.

Total resources—1910, \$168,831,332.02; 1911, \$175,409,343.97.

Loans and discounts—1910, \$29,133,730.76; 1911, \$28,837,205.68.

The gain in individual deposits is relatively much greater in the banks located in the state outside Indianapolis than in Indianapolis. The individual deposits in banks outside of Indianapolis aggregated \$109,345,296.91 in 1910 and \$113,540,098.88 in 1911.

Indiana postal savings bank depositaries are making a rush for the government postal savings bonds, which are offered in exchange for postal bank deposits. Only one other state—Ohio—exceeds Indiana in the demand for these new government securities. From Indiana 170 applications have been received for postal bonds, of which sixty-six are from women. The total amount applied for is \$30,700. Ohio leads with 347 applicants and the total amount applied for is \$71,640.

BUFFALO CLEARING HOUSE OFFICERS

Buffalo.—At the annual meeting of the clearing house association officers elected were: President, Elliott C. McDougal; vice-president, Arthur D. Bissell; treasurer, Geo. A. Drummer; secretary, Edward A. Weppner.

SAVINGS BANK ASSOCIATION MEETS

State Savings Bank Association (New York) met at Albany Friday, to record itself against Senator Grady's savings bank bill, and to pass upon bill prepared by its executive committee to build up surpluses by compelling banks with small surpluses to pay lesser interest rates until surpluses reach certain figures. Discussion over the committee bill continued all day. It was generally opposed by smaller banks.

The state insurance superintendent declared that the proposed bill would put out of business several state savings institutions, and moreover he failed to see how new banks could be organized under the proposed law. He doubted whether half the savings banks of the state could pay 4 per cent, and declared that no state savings bank should be allowed to pay such a rate. Big insurance corporations, he said, are getting ready for a 3 per cent rate, and the best insurance companies were those whose reserves are on a 3 per cent basis. He believes the state has power to limit the interest rate of savings banks.

The Broadway Savings Bank, through its president, opposed the proposed bill. President Aitken of the Bronx Savings Bank, believed the proposed bill unconstitutional and class legislation. He urged that it be amended not to take effect until October 1, 1915, and further amended so that any savings banks having less than 15 per cent market surplus should not pay more than 3 per cent until above date.

Another amendment offered by the superintendent of insurance provided that the executive committee's bill should not be operative in case of any bank until ten years old. He said such provision would prevent monopolization of the field by larger banks, and would permit organization of more savings institutions. The amendment was defeated, 22 to 38. All other amendments were also lost, and report of committee embodying association bill was adopted. It will be introduced at an early day in the legislature, where much opposition is anticipated from representatives of savings banks throughout the state.

COLUMBUS BANK TO PAY 50 PER CENT

Depositors in the defunct Union National of Columbus will receive 50 per cent of their money the first week in February, according to an announcement by William B. Goodhart, receiver. Since taking charge of the affairs of the bank, Receiver Goodhart has succeeded in collecting \$900,000 on outstanding paper. Of this amount \$350,000 has been applied on bills payable and the remainder will go to the depositors.

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

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San Francisco

The monthly financial letter of the Anglo and London Paris National Bank says: The year 1911 was uneventful in Pacific Coast finance. The far West has shared with the South the honor of a normal increase of business, as shown by the volume of clearings, while other sections with large industrial populations seemed to have made little or no progress. The steady liquidation of unsound or insufficiently capitalized enterprises which has been going on since 1907 has greatly strengthened the financial situation. The feature of the year has been the high prices received for our crops, most of which were at least moderately good while some were the largest on record. We see no reason to change our opinion expressed last August that receipts from the products of the soil of California in 1911 will be the largest in our history. It is believed that in spite of the low prices for petroleum our mineral output will also make a record. The market for forest products has not been good but returns from the fisheries have been satisfactory.

Our industrial interests are large and varied, but expansion on a large scale awaits a final settlement of relative freight rates and a better adjustment of the labor situation. So far as it depends on development of hydro-electric power it will be affected, favorably or otherwise, by the attitude of the public authorities acting under recent state legislation. Especially will this be the case in respect to the various public services in which large investment is much needed. The commerce of the port is pressing hard upon the port facilities which the port funds are able to provide. Population steadily increases, mainly upon the basis of new land brought under irrigation. The year was one of steady progress on a solid financial basis which is reflected in an equally steady increase of urban and rural land values. Building in all cities keeps pace with requirements and in this city the scars left by the great fire are being rapidly covered. There is special confidence in properly planned buildings in this city, arising from the conviction that even structures built in anticipation of special demand during Exposition year will continue to find profitable use owing to the increase of population, commerce and industry which must follow the opening of the canal.

Early in 1911 the spread of the plague in China caused uneasiness, which was reflected in a lower silver market. During March and April upon better news from China prices were well maintained, although quietness prevailed until late in April, when some improvement appeared, owing to the possible Chinese requirements in connection with the proposed new coinage. The Mexican rebellion for a time interfered with mining, resulting in a curtailment of supplies which promised speculative holders of the metal an opportunity to force up prices. However, light demand from the silver using countries and the anxiety concerning crop prospects in India prevented speculators from placing prices higher than other market conditions warranted. Early in November a temporarily successful corner in spot silver was established, and maintained for about a month. The year closes with China a keen buyer of the metal at current

prices which, despite fluctuations, practically end December at the same level as existed at the commencement of January.

LOS ANGELES BANK WILL MOVE TO NEW LOCATION

The directors of the Los Angeles Hibernian Savings Bank have taken a lease on the second floor of the Union Trust building, at Fourth and Spring streets, and they have announced that on St. Patrick's day, March 17, 1912, the bank would be moved to that location. The directors also have announced that they intended to give their savings depositors the benefit of the saving in rental charges, and that beginning January 1st the rate of interest paid on six months' term deposits will be increased from four to five per cent a year, the limit on the amount which will be accepted from any one depositor under the new rate being fixed at \$5,000. The Los Angeles Hibernian Savings Bank has a paid-up capital of \$250,000. Its officers and directors are: George Chaffey, president; G. Allan Hancock, J. A. Cashion, and J. D. Radford, vice-presidents; A. M. Chaffey, O. M. Souden, George A. J. Howard, cashier; T. E. Ivey, Jr., assistant cashier; A. M. Gibbs, secretary.

The New York Clearing House Association reports the total exchanges for the year 1911 at \$92,372,812,735, and the balances for the same period, \$4,516,496,995.

Seattle

Prosecuting Attorney F. W. Tempes, of Clarke county, Washington, has recommended to Governor M. E. Hay that more rigid legislation is needed in connection with the operation of state banks. His suggestions include these paragraphs:

I would suggest the repeal of the present law relative to drawing of checks without funds and the enactment of a law making it a felony to place in circulation a check without having funds in the bank upon which the same is drawn to pay the same upon presentation for payment.

I would suggest that the loaning powers of state banks be so restricted as not to exceed 20 per cent of the capital stock of any such bank to any one person, firm or corporation, and that a violation thereof be made a felony; that it be made a felony for the officers of a state bank to receive deposits after the available funds on hand fall below 15 per cent of its demand liabilities; that no person be allowed to borrow from a state bank in which he may be an officer under any consideration, this to include any firm or corporation in which any officer of any such bank may be interested, and that a violation thereof be made a felony; that it be mandatory upon the state bank examiner to close the doors of any state bank when he shall find that any of the above provisions are violated.

Gold to the value of \$6,055,953, nearly 14 tons, was handled by the Seattle assay office during the year 1911, according to totals struck by Chief Assayer Calvin E. Vilas. Receipts of silver during the course of the same period brought the total of precious minerals received by the office up to an aggregate valuation of \$6,111,395,69. Alaska was the chief contributor, with shipments to the assay office the value of which totaled \$4,816,892,06. British Columbia comes next with a total of \$1,074,290,78. Yukon Territory, which includes the rich Klondike and Atlin districts that at one time sent a large flow of treasure through the local assay office, has a very poor representation in the totals for last year, the figures being \$17,831,78. Significant activity of mining men in the Northwestern states is reflected in the record of mines of Washington, Oregon and other states—Washington chiefly—having sent in metals to the valuation of \$202,290,17.

ELECT OFFICERS

At the annual meeting of the Mankato (Minn.) Savings Bank directors the same officers were re-elected for the ensuing year. George E. Brett, president; Charles A. Chapman, vice-president; William W. Davis, treasurer. It was voted that the rate of interest to be paid depositors for six months ending December 31, 1911, be fixed at four per cent. The bank has had a most prosperous year and is in fine condition and looks forward to another year of prosperity in business.

The Bank of Ontario, Wisc., has been organized, with a capital of \$10,000. President A. T. Sanders; vice-president, Dr. L. L. Abbott; cashier, M. Donahue; secretary, C. M. Sandon.



The Old National Bank OF SPOKANE

This bank is thoroughly organized and equipped for the proper handling of all items drawn on Pacific Northwest points

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There never has
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payment of either the principal
or interest on any bond
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100th ANNIVERSARY OF OLDEST TRUST CO. HELD

The Pennsylvania Company for Insurances on Lines and Granting Annuities celebrated its centennial on Monday. This is the oldest trust company in the country. It was founded in 1809, but was not chartered until 100 years ago. It holds trust funds to a larger total than any other trust company in the world. These funds amount to \$175,600,000. The first trust estate to be intrusted to the company was on June 15, 1838. From one estate intrusted to the company in 1853 payments are still being made to the beneficiaries. Every month remittances are made to persons living all over the country, and in different parts of the world, who are heirs or beneficiaries of 2,250 estates managed by the concern.

Dividends have been paid since 1815, and, in all, \$15,819,751 of profits have been distributed to the stockholders.

About 700 persons attended the luncheon and reception given yesterday by the company to celebrate its 100th birthday.

FOREIGN COMMERCE FOR 1911

The foreign commerce record of the calendar year 1911, so far as relates to total imports and exports, has been completed by the Bureau of Statistics, Department of Commerce and Labor. It shows imports \$1,532,931,861, a larger total than in any year except 1910, which showed \$1,562,904,151 as the value of imports. The exports of the calendar year 1911 were valued at \$2,092,373,141, a larger total than in any preceding year and considerably larger than the total of \$1,923,426,205 shown by 1907, the former high record year in exports. The excess of exports over imports in the calendar year just ended was \$559,441,280, a larger excess of exports than in any year since 1908, when the total was \$636,000,000 dollars, while that of 1900 was \$649,000,000. The dutiable imports were \$738,481,025 in value; those free of duty, \$794,450,836, the share entering free of duty being 51.82 per cent. The total commerce, imports and exports combined, was \$3,625,305,002, against \$3,429,163,055, in 1910, the former high record year in total trade.

BANK ROBBERS IN CALIFORNIA

Three masked bandits early Saturday morning dynamited the vaults in the State Bank of Newport, Newport Beach, Cal., but were frightened away before they could get their loot, amounting to nearly \$10,000, which was found scattered about on the floor of the bank.

William Hall, living near by, was awakened by the explosion. Rushing into the street with a rifle, he began shooting into the bank, which caused the robbers to abandon their work, rush out and escape in a rig. Trails of blood from the bank to the vehicle led the officers to believe that Hall shot one of the robbers. A posse is in pursuit of the bandits.

SECURITY BANK AND TRUST COMPANY, HELENA, ARK.

Down in the eastern part of Arkansas, in Helena, located in a handsome building of its own, is the Security Bank and Trust Company. This institution, since its organization on September 1, 1910, has had a steady growth, and on December 30th had deposits



SECURITY BANK AND TRUST COMPANY BUILDING
Helena, Arkansas

of \$344,915.06. Louis Solomon is the cashier, and has helped very materially in its success. The Security Bank and Trust Company is capitalized at \$100,000, has profits of \$15,649.12, and total resources of \$472,638.96. The officers are S. C. Moore, president; J. L. Solomon, vice-president; Louis Solomon, cashier, and Percy Butterick, assistant cashier. Directors: Lee Pendergrass, J. Ware, Phillip Solomon, S. Straub, C. R. Coolidge, D. A. Keesham, J. A. Toppan, and J. W. Clopton.

HUNGARIAN BANKERS HERE

Baron Paul Kornfeld, managing director of the Hungarian General Credit Bank, and Otto Conrad, a representative of the Hungarian Commercial Bank of Budapest, arrived in New York recently on the Lusitania to push the plan to establish a bank in this country with Hungarian capital. Accompanying them was Julius Pirnitzer, who will be managing director of the institution. The prime movers of the formation of the new bank are the Hungarian General Credit Bank, the Hungarian Commercial Bank of Pest and the Hungarian Discount and Exchange Bank. Associated with them are a number of important financial concerns of Budapest and the Hungarian province.

It is the intention to start the new institution as a trust company, with a capital of \$1,000,000 and to foster commercial and finan-

cial relations between the United States and Hungary. Eventually a number of prominent American bankers will be asked to go on its board of directors. Mr. Pirnitzer, who is familiar with conditions here, has spent a number of years in diplomatic and commercial service.

ACCOUNTS SHORT

Stockton, Cal.—J. C. Sterling, former cashier of the Union Safe Deposit Bank of this city, is a defaulter to the extent of \$15,000. When confronted by the bank officials with the evidence of the defalcation, Sterling broke down and confessed, explaining that he had lost the money in land speculation. Friends have deposited securities amounting to half the shortage and expect to cover the remainder by Monday. Sterling severed his connection with the bank last June. Cashier McGown discovered the defalcation of \$15,000 which had been on the books since last June. The defalcation was handled so skillfully that even the bank examiners last June failed to discover it.

ORGANIZATION OF NATIONAL BANKS

During December, 1911, eleven applications to organize national banks were received. Of the applications pending, twenty were approved and none rejected. In the same month eleven banks with total capital of \$830,000 were authorized to begin business.

During the calendar year ended December 31, 1911, there were received 314 applications to organize national banks. Of the applications pending, 236 were approved and 70 rejected; 206 banks with total capital of \$11,505,000 were authorized to begin business.

On December 31, 1911, the total number of national banks organized was 10,119, of which 2,779 had discontinued business, leaving in existence 7,340 banks with authorized capital of \$1,033,302,135, and circulation outstanding secured by bonds of \$714,363,068.

The total amount of the national bank circulation outstanding was \$740,603,187, of which \$26,240,119 was covered by lawful money of a like amount deposited with the treasurer of the United States on account of associations which had reduced their circulation liquidating and insolvent national banks and tion.

VISITING BANKERS

Elmer E. Ford, assistant cashier of the old Detroit (Mich.) National, and Chas. F. Enright of St. Joseph, Mo., were in the city this week.

At the National Bank of Commerce, New York City, H. B. Thayer, president of the Western Electric Company, was chosen a director, succeeding Frederick Cromwell, who did not care to be re-elected owing to his retirement from active business. Other directors were re-elected.

JOHN McHUGH - President
JOHN J. LARGE - V.-Pres.
W. L. MONTGOMERY, V.-Pres.
HENRY G. WEARE - V.-Pres.
F. A. McCORNACK - V.-Pres.
H. A. GOOCH - Cashier
O. D. PETTIT - Asst. Cashier
FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
BUSINESS AND OFFER
YOU EXCEPTIONAL
FACILITIES. CORRE-
SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
Collections and Bank Accounts

Largest Bank in Clinton
County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITORY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
33 years of continuous conservative and successful banking

OFFICERS
RALPH VAN VECHTEN, President LOUIS YISHA, Assistant Cashier
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
EENT C. FERRAN, Cashier A. R. SMOUSE, Auditor

Reserve Agents for National Banks

Des Moines, January 17.—The bank meetings in Des Moines have passed with very few changes in the personnel of the officials. A. E. Hollingsworth was chosen a director in the Des Moines National, succeeding the late Carroll Wright. G. W. Pitcairn has removed to California but will continue on the directory board indefinitely. The Iowa National postponed its meeting because of the absence of Homer A. Miller, president and Harry Blackburn, cashier. No changes are anticipated, however. The banks uniformly reported events as entirely satisfactory and the usual dividends were declared. In many cases, a neat little sum was added to the surplus.

It has not been possible to keep track of the numerous changes in various banks throughout Iowa. A few of the most important, so far as they have been reported to Des Moines bankers, are as follows:

M. B. Hutchinson retires as one vice-president of the First National at Ottumwa and H. L. Waterman remains as the other vice-president. P. C. Ackley is advanced to cashier.

Hans Stoltenberg, a veteran director of the Farmers and Mechanics Savings at Davenport, retires. Fred Kunkel and William A. Hickey have been elected to succeed him and the late Julius Sander.

E. E. Hartung retires as vice-president of the Iowa Savings at Estherville to remove from the state, and Mack J. Groves succeeds him.

George N. Garretson, cashier of the Iowa State at Waterloo, becomes vice-president as well, and J. K. Joder is advanced from vice-president to president. Louis Frank is a new member of the board of directors.

F. J. Eighmey becomes president of the First National at Waterloo, succeeding F. J. Fowler, who retires.

Cedar Rapids Bank Building Commended

The Peoples Savings at Cedar Rapids is given unusual distinction in a recent number of the Architectural Record, in that its handsome new building is commended most favorably. The bank occupied the new building four months ago. The Architectural Record notes that the bank is individual in style and construction. It consists essentially of a central space or main banking room surrounded by subordinate rooms of a single story, which expand the total dimensions of the ground plan to 50 by 90 feet. There is a cerestory which is necessary for the lighting and gives the interior an architectural prominence. The blank space accruing under the windows of the cerestory, which in church architecture would be the triforium, offers a most tempting expanse for mural decorations, where they can best be seen on one hand and lighted on the other. The exterior is described as having a resemblance to a mediaeval castle. The article is accompanied by photographs. It is also explained that an average of twenty-five

strangers a day have been going to the new bank to have a look at it. The officers of the Peoples Savings, which is one of the strong institutions of central Iowa, are H. E. Witwer, president; F. H. Shaver, vice-president; Wm. King, second vice-president; John Burianek, Jr., cashier; John M. Ely, assistant cashier.

Interesting Banking Decision

A decision has been handed down by the attorney-general to the effect that banks in listing their property for taxation cannot deduct from their assets amounts of money invested in non-taxable drainage and municipal bonds. Special Counsel Robbins has opined on the question, and he rules as he does on two grounds. First, that under the new law the assessment is not made to the bank itself; therefore the bank cannot make the deduction. This question of non-taxable bonds since the passage of the bill making such bonds taxable by the legislature a year ago has proved a source of fruitful gossip among bankers, who say that not a little money has been withdrawn from accounts to be invested in securities of this character.

Des Moines Bankers Proud of Record

Des Moines bankers have been "pointing with pride," to Dun's Review showing the bank clearings of the Middle West for the year 1911. This Review shows that Des Moines bank clearings gained 2.4 per cent. Cedar Rapids was the only other Iowa city, according to the Review, to show a gain. The clearings here are \$66,295,274 as against \$65,746,706 in the preceding year. Sioux City and Davenport show declines. Des Moines and Cedar Rapids are shown as two of the six cities in the western division which show increases.

D. L. Heinsheimer

D. L. Heinsheimer, president of the Mills County National at Glenwood, and a member of the time-lock committee of the Iowa Bankers Association, has disposed of his mercantile business in Glenwood, and will devote his entire time hereafter to the interests of the bank. Mr. Heinsheimer began business in Glenwood in 1860, and has continued without a break. It is probable that he holds the "long distance" mercantile record for Iowa. A Lincoln, Nebraska, firm is the purchaser of the business, with which Mr. Heinsheimer has been so long connected.

L. H. Sears Retires from Bank

L. H. Sears, president of the Scott County Savings at Davenport, and the oldest banker in that city, announced his retirement at the annual meeting. Mr. Sears was chosen chairman of the board of directors, and J. H. Hass becomes president. Mr. Sears, who is now past 90 years of age, has gone to Mississippi to spend the winter. Mr. Hass has been with the bank since it opened in 1863, and took in the first money deposited therein. He had

Banking Commissioner B. L. Gill, of Texas, has been presented with a handsome ebony cane and an ebony umbrella by the district examiners of the state.

been cashier from the year 1864, to the present. Gustav Steuben, who entered the employ of the institution in 1896 as messenger boy, was advanced from assistant cashier to cashier.

"Back to the Farm" Movement in Iowa

The interest of Iowa bankers in the question of taking an active stand for the betterment of Iowa farm conditions and in an active effort to increase the producing wealth of the state has been quickened by the annual short course at Ames, which this year has proved the best on record despite the extremely cold weather. Agricultural development is becoming recognized as necessary to continued growth in Iowa, just as it is coming to the front in other western states where the bankers are beginning to get busy. The Des Moines Capital has announced a series of prizes totaling \$515, which will be given to the boys of Iowa, who raise the most corn on single acres of Iowa soil. Many bankers are starting similar contests on smaller scales in their various territories.

Alber Transferred to Insurance Department

Auditor of State John L. Bleakly has made a shift in his office whereby Fred J. Alber, well known clerk in the state banking department, becomes a clerk in the insurance department. The place which Mr. Alber has so well filled has not as yet been cared for.

Plea for Better Currency System

A recent editorial in the Des Moines Register and Leader has been attracting some little attention among bankers. The editorial is entitled, "Applying the Local Lesson." The editorial is a plea for a better currency system. The importance of banks standing together is commented upon, and reference is made to the financial distress of a few years ago. It says among other things: "What the local banks did was to mass their resources to protect the community credit. Standing alone, each bank caring for itself, this could not have been done. Des Moines would certainly have experienced a commercial smash if the banks had not stood as one institution. What that would have meant, no one can adequately forecast. It is enough to know that it would have entailed tremendous loss on every legitimate business interest, and left a wreckage, years would not have sufficed to wholly clear away. The problem of our finances is to apply the wisdom gained in this local experience to the national situation. It is just as practicable to mass the banking resources of the country behind national business as the banking resources of a single community behind local business."

Banking Notes

Secretary Hall of the Iowa Bankers Association has been at his old home in Sheldon on bank business. Mr. Hall has been sending out letters to the members of the association commending the association for securing the W. J. Burns Agency to protect it, and incidentally congratulating himself and the bankers of Iowa.

Joseph Sartori of Cedar Falls has gone to Los Angeles on his yearly visit to the home of his son, president of the Security of Los Angeles, a former Iowa boy, who has more than made good in the West.

John Elliott, cashier of the Commercial Savings, Des Moines, was coasting with his son down the slope at the rear of his home when he fell, and was so badly bruised that he was compelled to stay at home for several days.

Charles H. Smith, postmaster at Marshalltown, and director for several years in the First National at Marshalltown, died suddenly at his home in that city recently.

The Farmers Savings at Bagley has filed articles with the secretary of state. The capital stock is \$15,000. The president is J. W. Thompson; vice-president, John Quayle; cashier, C. E. Nichols.

The Cleres Savings is a new institution at Cleres. The officers are president O. A. Ontzes; vice-president, Heye Boywaza; cashier, J. J. Ludemann.

The State Savings at Fontanelle has been made depository for the postoffice bank at Fontanelle, and for that at Massena. Neither bank at Massena has qualified to act as depository.

Roy Evans, son of Cashier David E. Evans, of the Citizens Savings at Williamsburg, was married recently to Miss Cora Hakes, a popular girl of Williamsburg.

Leroy Utterbach, held for the theft of \$1,500, from the Black Hawk National at Waterloo, some months ago, has been released on bonds. The money was given by the young man to his sweetheart, who had expressed a wish to own an automobile. It was practically all recovered.

Louis Visha, formerly assistant cashier of the Cedar Rapids National, has resigned to become cashier of a bank at Dallas, S. D.

Fordyce Bisbee, cashier of the Turin Bank at Turin, Iowa, was painfully injured, when an automobile in which he was taking Banker Kieffer of Soldier joy-riding turned over, and went down an embankment.

The handsome \$4,000 automobile belonging to W. G. C. Bagley, cashier of the First National at Mason City, caught fire and was destroyed. The residence was threatened, but not damaged. Most of the damage to the car was by the water in contact with the heated machinery.

The officers of the German Bank at Battle Creek recently went on a tour of inspection to Ida Grove, in quest of ideas for the new institution to be constructed at Battle Creek.

George Jepson of Waterloo has gone to Newell to engage in the banking business.

D. M. Kelleher has purchased the Lowery interests in the Pomeroy State.

The Iowa supreme court has affirmed the conviction of Mrs. C. M. Swearington, who was fined \$500 for trying to shoot Banker S. S. Williams, on the streets at Sidney some months ago.

Sioux City

By JOHN J. BIDDISON.

A complete change all round was the result of the annual meeting of the Sioux City Clearing House Association Monday afternoon, seven banks being represented. George S. Parker, president of the Live Stock National, after two years' service, retired from the presidency, and was succeeded by George Sinclair, cashier of the Woodbury County Savings Bank. L. H. Henry, cashier of the Iowa Savings Bank and former secretary, was made vice-president; Jno. A. Magoun, Jr., president of the Northwestern National, was made secretary, and George R. Whitmer, president of the Farmers Trust and Savings Bank, which has been admitted to the clearing house within the last month, was made treasurer. Clifford Atkinson, of the Live Stock National, was then appointed manager.

Falling off in Bank Clearings

The extreme cold weather, which has enveloped the whole Northwest for more than two weeks past, has had the to be expected paralyzing effect on the banking business,

since a large part of the activities of the city are of course dependent upon the doing of business in the country. Clearings have fallen off quite perceptibly, in consequence.

George S. Parker

George S. Parker, president of the Live-stock National, retired Tuesday night as president of the Commercial Club, following the annual meeting. This meeting, which was accompanied by a banquet, numbered among the addresses one by Miller Weir, president of a bank at Jacksonville, Ill., and former national bank examiner at large.

Clearing House Association Luncheon

At a luncheon of the clearing house association Monday, several out of town bankers were guests. They were W. A. Heath, of Chicago, president of the Live Stock Exchange National, Miller Weir of Jacksonville, Ill., and E. W. Munson, national bank examiner for South Dakota. The latter was the guest of Jno. J. Large, vice-president of the First National. Mr. Weir was the guest of John McHugh.

Banking News Notes

A change in the personnel of the Bennett Loan and Trust Company followed the annual election last week. F. W. Kemp, of Manning, Ia., formerly of Sioux City, will return to the company as secretary, to which office he was elected. Mr. Kemp, when here before, was cashier of the Peoples Savings Bank.

A. W. Dula, cashier of the LeMars Savings Bank, has resigned his position, and will engage in the insurance business.

Leroy A. Utterbach, a former employee of the Black Hawk National Bank, has been indicted on five counts alleging the larceny of \$1,500 from the bank last September. It was reported at the time that he took the money to buy a motor car for a "lady friend," and Miss Kathryne Pfalzgraf was indicted on the charge of receiving stolen goods.

F. C. Langfeldt, formerly of Durant, Ia., has purchased a half interest in the Bank of Bowdie, and will become its president and active manager. The other officers will be Wm Mathieu, vice-president; W. G. Mathieu, cashier, and Hugo H. Cook, assistant cashier.

Among the Visiting Bankers

G. J. Moen, cashier of the Fairview State Bank, Fairview, S. D., was in town Tuesday on business.

O. G. Kemp, cashier of P. G. Riedesel & Co., bankers, Oto, Iowa, was in the city Friday.

W. A. Morgan, cashier of the First National Bank, Springfield, S. D., was in the city Monday, on his way home, from the old home in Missouri.

BRUNER MADE PRESIDENT OF BANK

Ben L. Bruner, who has just retired as secretary of the state of Kentucky, has been elected president of the Commercial Bank and Trust Company of Louisville. Dr. Bruner was recommended by and succeeds Caldwell Norton, who became president in October, following the retirement of Sam P. Jones. Mr. Norton said that he had accepted the office only with the understanding that it was temporary, and that he would be permitted to retire as soon as an able man could be secured to take his place. Dr. Bruner is well qualified for the position, following his service of four years as head of the banking department of the state, and in addition he is a man of unusual personality and aggressiveness. He is expected to make the Commercial Bank and Trust Company an ideal head.

Italian Castles and Country Seats

The place of honor in the January list of new and attractive books and editions issued by Longmans, Green & Co., Fourth Avenue and Thirtieth Street, New York, is held by "Italian Castles and Country Seats," written by Tryphosa Bates Batcheller. Mrs. Batcheller had world-wide success with her former Italian attempt, "Glimpses of Italian Court Life," which is to be found in every library of prominence in most of the civilized countries. Truly, Mrs. Batcheller has produced a valuable and a wonderful book. It is splendidly printed and bound, and so great an authority as the "Chicago Dial" has pronounced it "a truly sumptuous volume." The illustrations are numerous, consisting of four photogravures, four plates in color and eighty half tone plates on cameo plate paper, all printed in sepia. The book is a large 8vo., and contains 525 pages, bound in cloth with ornamental gilt top and corners. Longmans, Green & Co. furnish this book at \$5.00 net, express and postage being extra.

In the making of books about Italy there has been the greatest activity, not only within recent, but for many years. Most of these have had to do with her public affairs, her cities, churches, cathedrals, battleships and works of art. In reality, Mrs. Batcheller's field is entirely new to the subject. She presents the first real insight into this new Italy and into the lives and homes of many of the people. Those with whom she came most in contact are the active spirits contributing to the shaping of the destiny of this newly-made, old nation. Under the splendid patronage of President Taft and Queen Margherita, Mrs. Batcheller was admitted to the palaces and country seats, not only of all the reigning houses and titled aristocracy, but to those of the well educated and prosperous middle classes. She has been enabled on this account to not only become familiar with the family history in the present times, but has gleaned directly from members of the families something of what those families experienced during the past generations of this nation. In almost every case the pictures are truly illustrative of the text. Mrs. Batcheller has written her work in the form of letters to the folks at home, and all of her descriptive writing was done on the spot while the impressions received were vivid, and not a few of the illustrations were taken with her own kodak. Many travelers in foreign lands, and especially in southern Europe, if they write at all, write about the life of the lower classes. They are certainly the more picturesque of the two, but Mrs. Batcheller has given her time and attention only to the highest and the best which Italy affords. The bits of biography, sketches and stories about the famous men and women of Italy are new. They are her very own. If all other parts of the book could be obliterated, there would remain much that was very interesting and attractive in this feature of her work. The daily intimate life of the Italian nobility is presented just as she saw it, and has been preserved in a most beautiful product of the book-making art. Mrs. Batcheller had permission from Queen Margherita, after a careful examination of the text, to dedicate the work in full to her. From the very first Her Majesty, the Queen, inspired and encouraged the author, and has received her tender and grateful thanks for what she has done to place the home life of Italy properly before the reading people of the

world. On the other hand, Mrs. Batcheller has done all that she could to express her appreciation of the bountiful kindnesses and happinesses which were hers in beautiful Italy.

The work is divided into twenty-seven chapters, many of them devoted in full to touring trips taken by Mrs. Batcheller in her high power Fiat. Among other places visited by her was the factory at Turin, where her car had been made. She was greatly astonished to learn that some two hundred pieces of automatic machinery used in the Fiat factory had been made at Springfield, Ohio, U. S. A. This machinery cost something over two millions of dollars, and the purchasers continue to be afraid that someone in America will solve the problem of making the entire car automatically. Signor Marchesi, the manager, has heard about Americans cutting the grain from fields of one thousand acres and eating biscuit made from the flour while doing the work. He also has heard of machines, which turn out one thousand pairs of shoes per day in our great shoe factories, and of the height of some of our buildings, but remarked that he had never heard of an American workman remaining overtime, that his particular piece of work might be the better finished. The signor's idea is that America is so wonderful that the unexpected may be looked for. He is expecting some gigantic piece of machinery to be designed, which will do all of the automobile manufacturing and assembly work, just like the sewing machine took the place of the hand workers.

Mrs. Batcheller tells us that the average upper class family in Italy is very proud of its history and never tires of telling of soldiers, diplomats, archbishops, cardinals and other great and distinguished members. Most of them can trace their ancestors back for a thousand years, and some of them for a great deal further. Many of the old castles and country seats were in existence in the year 1000. The most attractive part of these features of the book is that the author had them direct from some living member of the family, who knew the facts well and had a great interest in relating them. She met many distinguished Italians, who had traveled west through our Yellowstone Park, saw San Francisco, and California's and Colorado's wonders, Montreal, Quebec, and spoke familiarly about Washington or Boston.

Mrs. Batcheller devoted all four seasons of the year to her preparation for writing "Italian Castles and Country Seats." She did this to be the better equipped for telling in interesting detail how the leading families of that splendid country employ their time and enjoy their leisure in winter as well as in summer; in springtime as well as in fall. In times past Italian families of prominence lived largely in castles, which were in some sense strongholds or foretresses, much as they were in the northern countries of Europe. Changes were a long time in coming about, so that the ancient castles remained the country seats of the leading families long after their real usefulness had passed. It was the custom then for the reigning head of the family to occupy the first floor, his eldest married son the second floor, and the second married son the third floor. The married daughters usually lived with the families into which they married. In recent years, however, these married daughters, and in many cases the married sons, have preferred to build and equip for

themselves a place of residence known in Italy as a villa, but which would appear to most people, on account of the size and grandeur, a veritable palace. Most of these sons and daughters lead quite active lives, taking a deep interest in the development of the cities which are located upon their estates and of the manufacturing enterprises which they assist in founding. Many of these villas are famous the world over; the garden attached to one of them inspired the late Pere Loti to write one of his most famous stories.

The gifted authoress spent a portion of her time in Sicily, the home of the world-famous Mafia. At home this organization is known as the "Society of Friends," and had its origin, so the best educated people in Sicily told Mrs. Batcheller, in the times when Sicily was being plundered systematically by whatever power seemed to be dominant in that part of the hemisphere at the time. The organization came into existence through the natural instinct of men to protect their families, their women, and their property, and to bind themselves together the better to cope with the strong. What was a justifiable organization, and served a very useful purpose centuries ago, has, no doubt, developed into a very different organization in the present day. Ninety per cent of the crimes committed in America by Sicilians and Italians are attributed to the Mafia, or a branch of it, known as the Black-Hand. There can be little doubt, that in recent times the Mafia in Sicily has given up almost its entire time to resisting organized authority, and in enriching its members through robbery and other crimes.

Mrs. Batcheller found that for centuries it has been the custom in Sicily to teach the schoolboy, who is hit over the head by a larger boy to "be a man, and not a tattler." In college the youth is told, "be a man and don't peach on the seniors." Even the urchin in the street is punished by his father if he cries, when he is knocked on the head by a playmate. This has been instilled into the Sicilians and most of the Italians for so many centuries that it has become a part of their character never to betray a compatriot, be the friend or enemy. It is said that many Sicilians and Italians have stood trial in court and taken punishment for crimes which they did not commit, when they knew full well who the guilty persons were. Of course, there is a sort of mutual protection in this for among such persons, if the accused had told on someone not accused, that person in turn might have revealed other crimes committed by the man on trial. They have a proverb there, which teaches that "truth is to be told only to the confessor," and those who have had business dealings with the natives, no doubt, are convinced of the fact that the teachings of this proverb are largely carried out. It is related even by Mrs. Batcheller in her most friendly of volumes to the Italians, that at the time of the Messina earthquake the natives who were not killed immediately began to plunder the bodies of those who were, rather than to help release those imprisoned in the wreckage or requiring food and assistance. So general was this conduct on the part of the natives that the troops were ordered to shoot on sight any native who was found rummaging about the ruins. Certainly this is a reflection upon moral and social conditions, be they attributable to improper teaching or faulty religious training or whatever the cause

may be. Italy has been going forward by leaps and bounds, however, since its recent formation into one cohesive nation, and the world expects better people to come from her provinces and dependencies in the future, and expects also that they will live more as the people of other countries.

To all of those who have traveled in Italy or expect to travel there, to the reader of books on travel, "Italian Castles and Country Seats" can be recommended as a most entertaining and instructive work, without a peer in contemporary literature in its chosen field. Italy has her problems to be figured out, and has her own methods of solving them. All of these things are kindly treated and presented by Mrs. Batcheller, who allows no opportunity to escape for putting the home life of Italy properly before the world.

GROWTH IN PENNSYLVANIA STATE BANKS

Decided gains in the amount of business transacted by the savings institutions, state banks and trust companies of Pennsylvania and a healthy growth along all lines of their work is shown by the advance sheets of the seventeenth annual report of the state banking commissioner.

In his report, which is for the fiscal year ended November 6, 1911, State Banking Commissioner William H. Smith gives the total resources of the savings institutions in 1911 as \$209,298,958.66, against \$198,425,071.44 in the preceding year. The time deposits increased from \$175,133,799.72 to \$184,619,230.43. Of the 11 corporations in Pennsylvania classified as savings institutions seven are in Philadelphia, with total assets on November 6, 1911, of \$174,326,202.21. These seven Philadelphia savings institutions on that date had \$2,061,754.79 in deposits subject to check and \$151,846,972.86 in time deposits, placed there by 407,822 depositors.

In the report of the condition of state banks, the total resources in 1911 are \$196,531,006.98, as against \$185,011,702.90 in 1910. The present year shows an increase in capital stock paid in cash from \$14,897,381.76 to \$15,699,927.25, while at the same time there is a growth in the surplus, contingent or sinking fund from \$18,473,866.57 in 1910 to \$19,509,592.13 in 1911. The aggregate assets of the eight state banks in Philadelphia amounted on November 6, 1911, to \$4,715,847.38.

Trust companies in Pennsylvania show aggregate assets of \$714,864,720.28, as against \$685,149,582.01 in 1910. These companies paid dividends during the year amounting to \$9,727,501.10. The total amount of trust funds held by these companies in 1911 was \$935,875,873.43, as against \$851,864,028.11 in 1910. Of the trust funds thus held those invested amounted to \$919,382,631.63 and the uninvested cash balance to \$16,493,241.80.

The individual deposits subject to check, exclusive of trust funds and savings, amounted to \$260,288,033.98; special time deposits, \$26,266,868; time certificates of deposit, \$33,600,110.14, and savings fund deposits, \$91,723,072.74. The aggregate assets and liabilities of the 61 trust companies in Philadelphia on November 6, 1911, reached \$330,144,566.82. The total amount of trust funds held by these Philadelphia companies was \$737,783,322.62; the total amount of corporate trusts, \$2,451,856,873.26.

NEW TEXAS BANKS

Certificates of authority to do business in Texas have been issued to the Citizens State Bank of La Rue, Henderson county, capital stock \$10,000; First State Bank of Springtown, Parker county, capital stock \$15,000. Both of these new banks have assumed the guaranty fund plan of protecting depositors.

WICHITA CHAPTER

(Continued from page 19)

is only about five times. That is to say, when a dollar is deposited in a bank, the purchasing power is increased fivefold in the commerce of our country by reason of the credits that are established on it. This will give you some idea as to what banking means in the commerce of our country.

Our Needs Have Changed

The national bank note as it was first designed and still continues was one of the most brilliant ideas of the century for the needs of the time for which it was produced. Our needs have changed, due to the changing conditions of our commercial life, but up to the present time it has not been possible to adapt our currency system to our great credit needs. This subject, however, is one that is worthy not only an entire evening, but several evenings, in the discussion of its various phases; not only this, but it is the question most vital before the American people to-day and the solution of the problem depends upon our keeping it out of the hands of the politician and making it stand as a commercial proposition to be modeled after the needs of our commerce. Therefore it is something that you must study, it is something upon which you must concentrate yourself and the sooner you begin the study of it the better it will be. I do not mean to advocate any particular bill or suggestion or plan that is now before the public, but there is one thing that I wish to im-

press upon you, and that is, study this proposition from the viewpoint of the principles involved, rather than from the standpoint of the man's name that may be attached to them.

A Question of Principles

This is not a question of individuals, it is a question of principles, and do not allow yourself to be misled by the name, but seek them out and cling to the principles involved. It seems to me that if we could all get together on that point then the question of the adaptation and the detail of the plan can be easily worked out. Therefore, my message to you to-night is that you are no longer members of rival commercial institutions, but that you have joined a fraternity and there devolves upon you many ethical obligations.

NEW BANKING CONCERNS IN SOUTH

Atlanta, Ga.—In the ten southern states three hundred and eleven new banks with \$10,869,470 capital began business in 1911, according to figures compiled by the Southern Banker. These figures were officially reported by the banking bureaus of the various states and by the comptroller of the currency at Washington.

During the same period six banks with a capital of \$1,050,000 were consolidated with other banks and their capital maintained. One bank decreased its capital from \$300,000 to \$150,000. Forty existing banks increased their capital \$2,825,500, making a grand total of \$13,400,000 added banking capital in the ten southern states for the year of 1911. This compares with \$9,964,500 of capital added in 1910 by 393 new banks and 55 enlarged banks.

The number of new and enlarged banks was 97 less in 1911 than in 1910, but the aggregate capital was \$3,435,500 greater, showing a decided improvement in the character of banks organized. The South starts the year of 1912 with \$257,635,000 banking capital as compared with \$244,235,000 at the beginning of 1911.

NEW A. B. A. MEMBER BANKS

The following is a list of members joining the American Bankers Association for period beginning December 20, 1911, and ending Tuesday, January 2, 1912, both inclusive: Colorado—Mancos, First National Bank. Florida—Avon Park, B. F. West & Co., bankers.

Illinois—Chicago, Lawndale State Bank, 3341 West 26th street; St Francisville, First National Bank.

Iowa—Austinville, Austinville Savings Bank. Kansas—Wichita, Reserve State Bank.

Massachusetts—Chicopee, Chicopee Savings Bank.

Minnesota—Virginia, State Bank of Virginia. Montana—Hardin, Hardin State Bank; Townsend, First National Bank.

New York—Jamestown, Bank of Jamestown; Oneida, Oneida Savings Bank.

Ohio—Minerva, Minerva Savings and Trust Company.

South Dakota—Watertown, Commercial Bank. Texas—Waco, Farmers and Merchants State Bank.

\$50,000 BANK FOR SPENCER, W. VA.

The comptroller of the currency has issued a charter to the First National Bank of Spencer, W. Va., capital \$50,000.

McAlester, Okla., January 16.—The Scipio State Bank of Scipio, Okla., with \$10,000 capital, was organized to-day and incorporation papers applied for. Officers are: W. H. Freeman, president; Travis Myers, vice-president; T. B. Thomas, cashier. These and R. P. Brewer and R. L. Nesmith are directors.

Eventually you will use

United States Tires

Continental
G & J

Hartford
Morgan & Wright

America's Economy Tires

Why don't you stop your experimenting now and start with the next tire you buy?

Mr. Henry Kleine stopped a good while ago. He is glad he did and tells why.

Chicago, Ill.

"I have been using the Nobby Tread ever since it was put on the market and have had the most excellent service therefrom. As an example, the record I have had being, that since December 9, 1910, to September 3, 1911, I used one tire with a record of 8,794 miles, and another used until September 17, 1910, with a record of 10,113 miles.

The undersigned are both willing to make an affidavit to this effect, and hereafter should you ever want any recommendation as to the Nobby Tread Tires, either one of the undersigned will be very glad to state their experience."

Respectfully yours,
(Signed) HENRY KLEINE
(Signed) P. F. HAWKINS,
Chauffeur

They are unquestionably the
Strongest Tires in the world.

UNITED STATES TIRE CO.

NEW YORK

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

FOR SALE—Miscellaneous

1-A Reflex, focal plane shutter, Celorsix-inch lens. Cost \$84.50. Like new. \$45.00. Address, X-44, Chicago Banker.

1-A Graflex, 1C. Tessar lens, focal plane shutter (new out of stock), value, \$101.50. Sell, \$85.00 Cash. Address, X-55, Chicago Banker.

4x5 Goerz-Argo, latest model, Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$165.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale, 9/4-inch Goerz Dagor, Volule shutter. Value \$77.50. Sell for \$50.00, like new. Six-inch Dagor, Koilos Shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale, Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, \$3c.
The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.
This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90.
Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37.
This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.
A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLÉN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism". Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,

407 Monadnock Block, Chicago.

EGYPT'S FINANCIAL CONDITION

A cable from Cairo, Egypt, says that the annual report of Sir Paul Harvey is optimistic, contrary to the predictions recently made in official circles in England. The Egyptian government has been able to dispense with all loans and can face the large expenditure required for the drainage of the Delta of the Nile with equanimity. Sir Paul states that of the £13,100,000 gold imported into Egypt to move the cotton crop £5,000,000 will remain in the country.

Montreal.—The Royal Bank of Canada will increase its capital by \$2,000,000, issuing 20,000 shares at \$210 a share. The issue will be made at the rate of one share of new stock for about four of old. This will bring the capital of the bank up to \$8,200,000.

Department of New Business

NORTHWEST

Chicago, Ill.—Franklin Savings Bank, located at the corner of Franklin Boulevard and Kedzie Avenue, has opened its doors for business. Joel S. Flesh is the manager of the bank.

Chicago, Ill.—Whiteside & Wentworth have opened the Cottage Grove Bank at 7452 Cottage Grove Avenue with W. R. Forsberg as cashier.

Jeddo, Mich.—A new banking concern has been organized to operate business under the title of James Livingston & Co. James Livingston is president, James McColl, vice-president and Squire Lang, cashier.

Detroit, Mich.—The Detroit Savings Bank opened a branch at Michigan Avenue and Twenty-fourth Street.

Slater, Mo.—The Security Bank has been organized with \$25,000 capital, Robert L. Hains is president, Joseph Lineberry, vice-president, and Richard D. Quisenberry, cashier.

Bay, Mo.—The State Bank of Bay has been organized by Louis Boeger, of the North St. Louis Savings-Trust Company. Simon Boeger is president, and E. Engelbrecht, cashier.

Hancock, Mo.—H. M. Smith, cashier of the Farmers and Merchants Bank, Springfield, is interested in the Bank of Hancock. J. J. Alexander is president, and H. W. Cannon, vice-president.

Dubuque, Ia.—German-American Savings Bank has filed articles of incorporation with a capital of \$50,000. N. J. Schrup is named president, Henry Michel, vice-president, and Albert Lantzky, cashier. The German-American Savings Bank was formerly known as a branch of the German Savings Bank, located at Eighteenth Street and Couler Avenue.

Onalaska, Wis.—The State Bank of Onalaska was granted a charter. Capital stock is \$10,000. The incorporators are: G. A. Kaeppler, Abel N. Moore, Thomas A. Aiken and others.

Tremont, Ind.—First State Bank incorporated. Capital \$25,000. Theodore McNaughten is president, and J. R. Thompson, cashier.

Wood, S. D.—Articles of incorporation were filed for the First State Bank with a capital of \$10,000. Incorporators: F. A. Carmack, Sioux City, Iowa; G. L. Watson, A. K. Wood, M. M. Watson of Wood, and W. W. Watson, Innman, Nebraska.

Haliday, N. D.—The Security State Bank has been organized with W. A. Olson president, L. R. Bearce, vice-president, and W. F. Kopka, cashier.

WEST

Morenci, Ariz.—The State Bank of Morenci has been organized with \$30,000 capital. G. E. Goodreal is president, C. B. Nonnamaker, vice-president, and J. D. Williams, cashier.

Kennett, Cal.—The First Savings Bank of Shasta County, Redding, has opened a branch at this place.

Gem Valley, Idaho.—The Gem Valley State Bank is organizing. C. A. Valentine, R. Douglass, and E. Merrill are interested.

EAST

Philadelphia, Pa.—Evan Randolph, formerly manager of the bond department of Edward B. Smith & Co., and W. H. Goodall, formerly of Henry & West, have formed a banking partnership under the firm name of Evan Randolph & Co.

Asheville, N. C.—Central Banking and Trust

Company has been organized at this place. C. W. Brown is to be president, W. B. McEwen, vice-president. Capital, \$50,000.

Pembroke, Va.—Bank of Pembroke incorporated. Capital \$10,000. James Hoge is president, R. A. Gilliam, vice-president and W. H. Sidnow, cashier.

Elizabeth, N. J.—The Elizabeth Trust Company is organizing with \$100,000 capital.

Bayonne, N. J.—The Bank of Bayonne is incorporating with \$50,000 capital.

Lachine, Que., Can.—The Molsons Bank has opened a branch at Notre Dame Street, in charge of George Coyle.

SOUTH

England, Ark.—Articles of incorporation were filed by the Citizens Bank. Capital is \$15,000. The incorporators are: J. E. Hicks, R. J. Lankford, W. J. Sommers, J. R. England, C. C. Dickie, C. C. Abbott, and Gold Ayres.

Mammoth Springs, Ark.—The Fulton County Bank has been organized. B. F. Elder is president. J. J. Sampson, vice-president, and G. C. Pressly, secretary and treasurer.

Whites Creek, Tenn.—The Whites Creek Bank and Trust Company has been organized at this place. Capital is \$10,000. The incorporators are: J. B. White, N. P. LeSueur, R. J. Lyles, Jr., J. H. Zarecor and R. D. Marshall.

Tullahoma, Tenn.—Planters Bank and Trust Company is the title of a new bank organizing at this place. A. P. Ray will be president. Capital \$20,000.

Dallas, Texas.—The Republic Surety Fidelity and Trust Company has been incorporated with \$5,000,000 capital. A. Silvers, of the San Houston Life Insurance Co., is interested.

San Antonio, Texas.—Articles of incorporation have been filed for the Bohnet Banking Company. G. Bohnet and G. A. Hoefling are reported among the promoters.

Ore City, Texas.—The Guaranty State Bank is organizing here with \$25,000 capital. R. J. Hogg, J. A. Redden, W. O. Stamps and others are interested.

Carlsbad, Texas.—The Bank of Carlsbad is organized with L. J. Brain, president; D. T. Bomar, vice-president, and L. B. Horton, cashier.

Macon, Ga.—The Bank of East Macon is reported organized; capital \$50,000. Incorporators: A. T. Small, president; T. S. Tharpe, F. M. Jones, De Witt McCreary, and G. W. Tharpe.

De Quincy, Ia.—The De Quincy State Bank has been organized with a capital stock of \$15,000. W. S. Ferguson is president; J. M. Gill, vice-president, and J. H. Beall, cashier.

Erlanger, Ky.—The Citizens Bank is organizing with the following officers: G. W. Bufington, president; T. J. Stephenson, vice-president, and E. F. Smith, cashier.

BANKER SCHIFF GIVES \$100,000 TO CORNELL

Ithaca, N. Y.—A gift of \$100,000 to Cornell University by Jacob H. Schiff, the New York banker, was announced to-day by President Jacob Gould Schurman. It is to be known as the Jacob H. Schiff Endowment for the Promotion of Studies in German Culture. It is given without restrictions.

The banking house of Ford Brothers of Brownwood, Texas, has discontinued business. Its affairs have been turned over to Brook, Smith & Co., bankers.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

papers by that bank. They are commercial bank advertisements purely, and he gives authority to use any of them that may suit. A copy may be had by addressing Mr. Mortimer.

JAMES K. ILSLEY of the Marshall & Ilsley Bank, Milwaukee, has sent out a neat little folder containing his recent address entitled, "A Central Reserve Association More Necessary to the Public Welfare than to Banks." The talk does not go into the details of the bill, but deals with the ethics of the situation in a half-dozen small pages of type.

BANKERS TRUST (New York) in its annual statement shows deposits of one hundred and thirty-six millions, which seems some justification for the exceedingly tall building to be occupied by that high grade institution. A building of any kind, to be called an exceedingly high building among New York's skyscrapers, needs to be pretty tall, and the new Bankers Trust fills the bill.

MINNESOTA not only has a better banking law than has Illinois, but she has a text-book law which ought to be looked into by the Illinois authorities. It provides for a system of bonds and affidavits to be furnished by the book publishers, whereby a heavy penalty may be inflicted if similar books are sold in other states cheaper than they are sold in Minnesota, or if books of a lower quality are sold in Minnesota than are furnished to other states.

MARIAN R. GLENN, librarian for the American Bankers Association at 11 Pine Street, New York, says that inquiries, which are being received indicate that the reference and research department will be increasingly useful to the members of the association. This department undertakes to search the New York libraries where its own library is found insufficient. Bankers all over the country could not do a better thing than to forward books, pamphlets and documents to this department for general use. It ought to be one of the best things yet attempted by the association.

WILLIAM V. S. THORNE, well known in New York, and in national financial circles, has taken the place of James Stillman on the board of Hanover National. Mr. Stillman withdrew on his own motion owing to his continued absence in Europe and retirement from all active business.

COPIES of a very neat circular and booklet may be had from the American Institute of Banking, 11 Pine Street, New York, by any of the younger bankers in the various cities and towns of the country, who contemplate the organization of a chapter of the Institute. These documents explain very tersely all about the Institute's systematic education in the banking and in the law divisions.

TO the young bankers who are not in cities or towns large enough to organize a chapter, the educational course may be taken by correspondence, and this feature of the work also is fully explained in the circular matter which will be forwarded upon request.

ABOUT a month ago President B. F. Harris sent out to members of the Illinois Bankers Association a circular letter making suggestions for the increase of membership, and suggesting topics for discussion at the group and county meetings. This has met with a fine response from the majority of the counties in the state, and will give considerable force to the group meetings to be held this season. Mr. Harris intimated that those who had been appointed on the various com-

mittees, and who remained inactive, will quickly find their places filled by someone else. This is the spirit of industry, which the association has needed for many years.

BURLE NATIONAL, way out at Chamberlain, S. D., has a hundred deposit accounts with the Indians on their reservation. Mary All Around tops the list of the lady depositors, as Mr. Bull Ghost heads the masculine line. Next is Alice Comes Flying, along with Esther Wise Boy, followed closely by Frank and Julia Fire Tail. Mrs. Four Eagles, and all the little Four Eagles have accounts. Among the other distinguished depositors are Walking Crane, Holy Prairie, Mrs. Looking Dog, and Mrs. Medicine Shell.

AMONG the other depositors with less distinguished titles are Skunk and Scalper. There are James Two Dogs and Anna and Hannah White Dog. Mrs. Smoke Chaser is not an anti-cigarette fiend, and Mrs. Good Voice is not a suffraget.

FIRST NATIONAL of Joliet has adopted a profit sharing plan for its employees. This is a special hobby of President George Woodruff of that institution, who announced his scheme at the annual banquet given to the employees.

IT is said that the announcement was received with great enthusiasm, and came as a perfect surprise to those present. As outlined, the plan will include about forty persons and ought to add considerably to their annual incomes. Mr. Woodruff made quite a talk upon profit sharing as a business policy, and attributed very much of the success of his bank in obtaining four millions in deposits to the hard work and loyal service of those employed in the bank.

AN employees' savings and profit sharing fund will be created, in which those on the pay-roll will be permitted to deposit 10 per cent of their monthly salaries; a smaller deposit will be accepted. The first trustees of the fund will be President George Woodruff, A. J. Stoos and J. M. Plant, who will jointly manage the affairs and invest the money received each month in bonds. Each year the bank will add to the fund a sum equal to 2½ per cent of the dividends declared during the year. A further provision is made that at the end of the year all the bonds purchased will be sold, and the depositors will receive back their deposits with their portion of the interest that has been earned. It looks like a splendid opportunity to teach the public thrift in a city where so many are employed. If the plan succeeds well in the First National, it ought to succeed in any other bank in that city or in any of the industrial concerns.

THERE is nothing compulsory about the plan; employees are only advised to avail themselves of this opportunity to save a portion of their salaries and to make a little extra dividend on them. At the end of the year those who do not wish to use the money paid out to them may redeposit it until they acquire enough to make some permanent outside investment. It will certainly pay a much larger dividend than any bank can afford to pay on savings deposits. Bankers all over the country will be interested to learn more about this plan after it gets into fuller operation.

TOOTLE-LEMON NATIONAL of St. Joseph, in its circular of January 15th, advises that it believes there are no immediate prospects for any marked changes in money market conditions. The bank believes, however, that certain lines—notably ordinary mercantile loans—are likely to harden before long.

CLARENCE HODSON, vice-president of the New Jersey Fire Insurance Company, has sent out word that thirty thousand shares of the capital stock of that company have been sold. With one million dollars of paid up capital, it is expected that the company will do a largely increased business. This company began to write insurance only last April, but has earned enough in eight months to pay the running expenses for twelve. A financial statement will be sent out later.

SECRETARY W. F. KEYSER of Missouri has announced his annual convention to be held at Joplin on Tuesday and Wednesday, May 21st and 22nd. It is quite refreshing to hear from Missouri, Kansas and other up-to-date states, which set the time for their conventions so far in advance. We could name states without trying which have not yet acquired the habit.

WITH both Frank Collins and C. B. Hazlewood acting as assistant secretaries, it would seem to us that Secretary R. F. Chapin of the Union Trust ought to have considerable spare time on his hands. These two young men are among the most active in the business, and are helping to build up deposits with the hope of turning the twenty million dollar mark before long.

PRESIDENT F. H. RAWSON has announced the doubling of the space in the savings department of the Union and other improvements to be made for the public. Frank Collins is the only addition to the official staff made during the year; it will be his particular business to solicit new accounts. In this he is a past master and enjoys a very wide and influential acquaintance in banking circles.

HANNIBAL, Mo., has three remarkably evenly balanced banks. The Hannibal National has just over a million in deposits, while the Hannibal Trust and the Farmers and Merchants Banks each have just a shade under the million dollar mark. In earnings and dividends paid the ratio remains about the same. In the matter of gains in deposits the Hannibal National seems to have considerably the best of it.

WARE & LELAND, one of Chicago's leading board of trade firms, sends out a weekly financial review, which any banker can have by asking for it. It really is one of the best things of the kind issued from this center. It gives the current markets, the firm's opinion on conditions and a synopsis of the week's investment news, all quite valuable and reliable.

BEIERLEIN & REYNOLDS, located in the First National Bank building, is one of the younger firms of this city. The firm sends out a very attractive circular giving investment offerings, and is in a position to serve customers faithfully and well. Both of the young men have had large experience with the older houses of this city, and are not lacking in that respect.

CASHIER.

SMALL NEW YORK BANK CLOSED

George C. Van Tuyl, Jr., superintendent of banks, has taken possession of the State Bank of Pike, Wyoming county. The bank has a capital of \$25,000 and deposits of about \$70,000. It was organized in 1892. The banking department gives as the reason for the closing an impairment of the capital of several thousand dollars, due to over-extension of credit to concerns in the western part of the state, in which the president of the bank, G. S. Van Gorder, and some of the directors were interested.

ALL BRANCHES OF BANKING



1857

1912

ORSON SMITH - - - President	P. C. PETERSON	Assistant Cashier
EDMUND D. HULBERT, Vice-President	C. E. ESTES - - -	Assistant Cashier
FRANK G. NELSON - Vice-President	LEON L. LOEHR	Sec'y and Trust Officer
JOHN E. BLUNT, Jr. - Vice-President	F. W. THOMPSON, Mgr. Farm Loan Dep't	
J. G. ORCHARD - - - - - Cashier	H. G. P. DEANS - - -	Mgr. Foreign Dep't

CAPITAL AND SURPLUS - \$9,000,000



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

THE NATIONAL CITY BANK OF CHICAGO

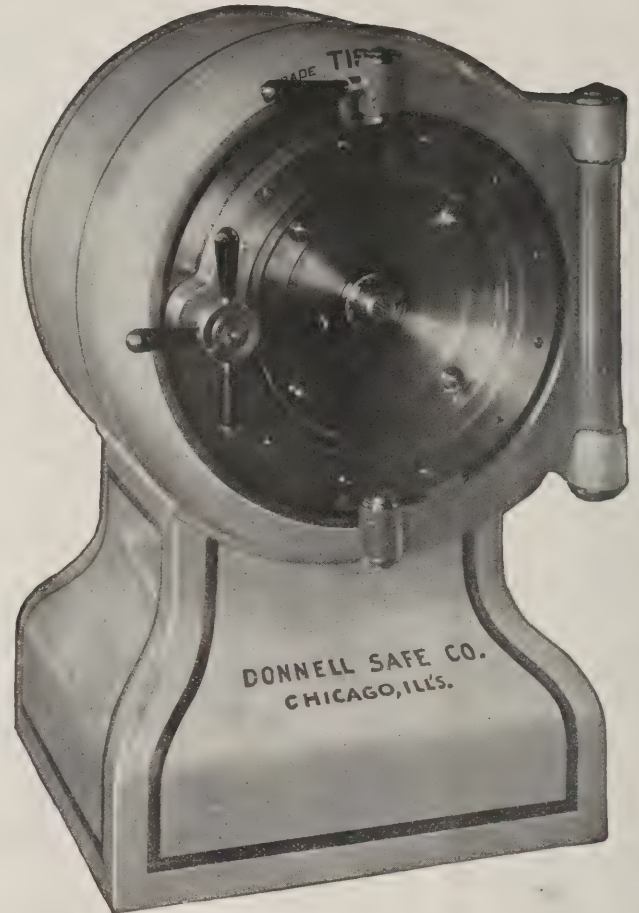
Capital, Surplus and Undivided Profits \$ 2,500,000.00

Resources - - - - - 29,300,000.00

OFFICERS

ALFRED L. BAKER . . . Vice-President	DAVID R. FORGAN, President	HENRY MEYER . . . Assistant Cashier
H. E. OTTE . . . Vice-President	A. W. MORTON . . . Assistant Cashier	W. M. N. JARNAGIN . . . Assistant Cashier
F. A. CRANDALL . . . Vice-President	WALKER G. McLAURY . . . Assistant Cashier	R. U. LANSING . . . Manager Bond Dept.
L. H. GRIMME . . . Cashier	M. K. BAKER . . . Asst. Manager Bond Dept.	
W. T. PERKINS . . . Assistant Cashier		
W. D. DICKEY . . . Assistant Cashier		

Donnell Safe Co.



General Western Agents for the York Safe & Lock Co., who have the best-equipped safe factory in America. Their Manganese safes are superior to any in the market. We sell these safes subject to a test against any Manganese safe made and will guarantee all our work equal, if not superior, to any made. We can refer you to any banker in Chicago. We carry the largest stock of bank safes in Chicago. Burglar vault doors, vault linings, burglar safes that have been used always on hand. A large lot of second-hand deposit boxes that are modern and good as new.

227-229 Washington St., Chicago, Illinois

Fourth Street National Bank OF PHILADELPHIA

Capital - - - \$3,000,000.00

Surplus and Profits 6,500,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board	FRANK G. ROGERS, Vice-President
E. F. SHANBACKER, President	R. J. CLARK, Cashier
JAMES HAY, Vice-President	W. A. BULKLEY, Assistant Cashier
B. M. FAIRES, Vice-President	W. K. HARDT, Assistant Cashier

The Girard National Bank OF PHILADELPHIA

Capital - - - \$2,000,000.00

Surplus and Profits 4,585,000.00

Deposits - - - 40,000,000.00

FRANCIS B. REEVES, President

RICHARD L. AUSTIN
Vice-President

JOSEPH WAYNE, Jr.
Cashier

THEO. E. WIEDERSHEIM
Second Vice-President

CHARLES M. ASHTON
Asst. Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

JANUARY 27, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

The Council

The mid-year meeting of the executive council of the Illinois Bankers Association took on an unusually important aspect, owing to its decision by a narrow majority to put the association in opposition to bank supervision, and inspection in the state. The ceremonies began at noon with a luncheon at the Blackstone Hotel, attended by those active in county federation work. Chairman Wright of Crystal Lake presided, and reported upon the present status of the work. All of the chairmen and secretaries of the ten groups were present, and many of the dates and places for holding group meetings were decided upon in a tentative way. The only actual announcement made was that by Group 8, which will meet at Sullivan, Ill., on February 22d. Both President B. F. Harris and Chairman Montgomery were present at this luncheon. Chairman Montgomery invited all present to attend the meeting of the council. He also removed the ban upon newspaper men, and for at least a portion of the time, reporters from the Chicago daily papers were admitted. This had not happened before in twenty years, and is much to Judge Montgomery's credit. The council proper met at 2:30. The minutes of two previous meetings held at Springfield were read and approved. Chairman Montgomery announced important matters for consideration from the work entrusted to the administrative committee composed of the chief officers of the association. The first subject touched upon was that of burglary insurance covering the subject of a contract recently made with the Ocean company; the contract was ratified by the council. Another subject brought up was that of incorporation of the state association. After considerable talk to very little purpose, action was postponed. Chairman C. E. Bradt of De Kalb reported for the good roads committee. He stated that 750 circulars had been addressed to township organizations in the state and that 250 responses had been received. Mr. Bradt is highway commissioner for his own township, and is a very active and energetic enthusiast in the work. The council was well pleased with what had been done, and continued his committee. President B. F. Harris, as chairman of the committee on agriculture and vocational work, made a report of the work done by that committee, which was approved. Chairman Wright of the county organization plan submitted a set of by-laws for use in the various counties in the state, which were adopted.

Take Up Depository Bond Issue

Next on the list came Vice-President Van Buskirk of the Standard Trust of this city, and M. A. Traylor of the National Stockyards National at East St. Louis. They both made strong talks on the subject of the over-cost of depository bonds in Illinois as compared with what is being paid in other states. Mr. Van Buskirk told a very happy story, and at the outset put the members of the council in a huge good humor, so that when W. G. Edens came to his rescue with a motion to appoint a committee of five to take up the subject of the over-cost of depository bonds, the motion

(Continued on page 6)

A NEW CHICAGO BANK

Stock of a new bank to be known as the Central Manufacturing District State Bank, has been oversubscribed, and the institution will begin business in about two months in the Club Building, now being erected in West Thirty-sixth Street, near Morgan Street. The capital will be \$200,000. Stockholders are manufacturers and merchants whose business is located in the neighborhood. Among them are P. L. Knoedler, Abraham Harris of the Chicago Wrecking Company, and representatives of the Spiegel-May-Stern Company.



LEWIS E. GARY
CHICAGO

Lewis E. Gary was elected assistant cashier of the Corn Exchange National, at their reorganization this year. Mr. Gary has been with this bank since 1886, starting as messenger and working up through all the departments. The last twelve years he has been chief clerk. He is a very valued employee and greatly deserves this promotion.

PROMINENT BANKERS IN CITY

A "Country Life" conference promoted by the Spokane chamber of commerce was held at the Sherman on Monday. Among others who attended were Joseph Chapman of Minneapolis, J. W. Wheeler of St. Paul, B. F. Harris of Champaign, and W. G. Edens of Chicago. No action was taken of a public nature.

MID-CITY TRUST

The Mid-City Trust and Savings Bank (Chicago) has elected E. V. Bacharach a vice-president. He will assume his new duties on February 1st. Mr. Bacharach is auditor of the Corn Exchange National Bank, having been connected with that institution for twenty-five years.

J. F. Hartwell

As a result of the recent consolidation of the Gary Trust and Savings and the Security State at Gary, J. F. Hartwell is now president, and the capital is said to be \$50,000. J. B. Greene, formerly cashier of the Security State, is vice-president and acting cashier. Bruce Bogorte, son of the former president of the Security State of Valparaiso, Indiana, also is a vice-president. Mr. Greene enjoys a wide acquaintance among northern Indiana bankers and business men, and was a banker for a number of years in the new state of Oklahoma. He has an abiding faith in the future business growth of Gary.

TRANSIT WORK RECOGNIZED

An interesting feature of the promotions in the First National, Chicago, is the making of the transit and general books department manager an official of the bank. This is the first instance of a big city bank recognizing the importance of the transit work, though it is perhaps due as much to the personality of the man, Charles R. McKay, as to a continuation of the First National plan of official organization by division. McKay was one of the prime movers for the adoption of the A. B. A. numerical system and at New Orleans made an earnest and forceful plea for the handling of country checks through clearing houses in national reserve cities. R. Frank Newhall and George H. Dunscomb, who were elected assistant cashiers at the annual meeting, will continue active in Division F, which is devoted exclusively to the accounts of banks and bankers. Dunscomb is now in California and will, as heretofore, spend most of his time outside the city.

BLACK-HANDERS AND MR. REYNOLDS

For some time President George M. Reynolds of the Continental and Commercial National has been receiving "Black-Hand" letters demanding \$1,000 in cash, and threatening to burn his residence on Drexel Boulevard if the money was not paid. During most of the time that these letters have been arriving, Mr. Reynolds has been in the East, and they naturally fell into the hands of the young men who constitute the "new business" department. Sleuthing for new accounts has developed a natural Sherlock Holmes instinct in each one. Consequently they laid a rapid-fire trap for the writer of the letters. On Monday when he called for the package demanded, at the place named, he was promptly arrested. Having sent the letters through the United States mail, he was bound over to the United States grand jury by Commissioner Foote, in the sum of \$5,000.

It developed that he had never seen Mr. Reynolds, but had simply picked his name out from a list of Chicago bank presidents. On the other hand, Mr. Reynolds had never heard from his threatening correspondent other than through the three letters received. It was given out by the government inspectors that the man arrested had made a practical confession of his guilt, and said the only reason he had for threatening Mr. Reynolds was that he "needed the money."

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

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RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$500,000

JOHN JAY ABBOTT
Vice-President

GEO. B. CALDWELL
Vice-President

Officers
GEORGE M. REYNOLDS, President
CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

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We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

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Circulars on application

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CHICAGO

Fort Dearborn National Bank



UNITED STATES DEPOSITORY

Capital - \$2,000,000
Surplus - 500,000
Deposits - 24,000,000

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NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
THOMAS E. NEWCOMER, Asst. Cashier
HARRY LAWTON, Manager Foreign Department

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....\$ 9,887,954.84
February 5, 1909.....11,617,691.24
March 29, 1910.....15,041,357.21
January 7, 1911.....16,736,997.29
March 7, 1911.....21,574,956.79
June 7, 1911.....23,137,746.88
September 1, 1911.....24,500,075.82

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section We know your wants and wish to serve you

Drovers Deposit National Bank OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-eight years rendered Efficient and Quick Service to its Correspondents

Resources, Nine Million Dollars

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GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER



Mainly About Banks and Bankers

QUITE an aid to the farm movement all over the country will be the "Garden and Farm Almanac for 1912," which is published by Doubleday, Page & Co., at twenty-five cents. Farmers have a great weakness for almanacs, and this particular publication ought to be circulated in quantity at the very low rate. It contains planting tables, which have been worked out in theory, and then tested in practice.

THE farmer will find in this publication the proper time for planting all vegetables and seeds in all latitudes. It not only tells when, but how, and how much to plant, and how to fertilize and cultivate the soil. Each monthly calendar has a reminder table of things that ought to be done during that month, all of which has been approved by the department of agriculture at Washington.

A PART of the almanac is devoted to live stock symptoms, and the treatment of various animal diseases and injuries. It tells how to get the best of the pests and insects of all kinds, and the best varieties of fruits for each location. A part of the almanac is devoted to pointers on the use of concrete, how to mix it and how to fix it, and on the mixing and use of fertilizer. In fact, it is a farmer's handbook of the very highest type at the very lowest price.

REAR-ADMIRAL F. E. CHADWICK has written a two-volume history of the Spanish-American war, published by Charles Scribner's Sons. The book has been personally read and commended by Col. Roosevelt, and is said to be written on very novel lines, and in a very attractive style.

ARCH B. DAVIS, secretary of the Kentucky Bankers Association, gets out a little bulletin every sixty days, which includes short notices of group meetings and announcements, as well as a brief section edited by the bank law department of the association. It is ably edited.

R. L. RINANAN, of the American Trust Company of St. Louis, has not been taken to the hospital or "operated" on for so long that we have been sort of overlooking him. He apparently has regained his health, and ought to feel good over the growth of deposits in the American, at least. When he crossed over from Illinois, the deposits of the American Trust were about one and one-third millions; now they are three and a quarter millions with "rising barometer." Mr. Rinanan is well liked and well remembered by Illinois bankers, for whom he acted as secretary for two years.

EDWARD W. DECKER, new president of the Northwestern National, at Minneapolis, was once its messenger boy. He preceded Joseph Chapman, Jr., in that capacity. It is said that not less than eight or nine of the present officials of the Northwestern staff began their services to that institution in that capacity. Those beside Decker and Chapman who started at the foot of the ladder are

Frank E. Holton, Chas. Farwell, R. S. MacGregor, H. P. Newcomb and William Koon. Those who also started on the lower rung but who have graduated into other institutions are C. T. Jaffray, of the First National; W. F. McLane of the Hennepin County Savings; Edward Mattson of the Scandinavian-American; Thomas Beale, Jr. of the Second National, Boston, and William G. Thorne of the National Park, New York.

BOTH of the Forbans, nationally known, worked their way up in the Northwestern National, although they did not start there as errand boys. In all of the states together there are no less than forty bankers who had their "beginnings" with the Northwestern. It must be quite an inspiration to the younger members of the staff to look over to the president's office, to the vice-president's desk and to the cashier's desk, and to be able to say that they have come up from the very bottom, and that it is the policy of the Northwestern to promote its own young men. Mr. Decker says "pick the right boy in the first place, and you will never have to look outside of the bank for your official staff."

K. N. & K. of New York state in one of their circulars that they find a better tone in general business than toward the close of last year. From information at their command, they estimate that manufacturing in the commercial centers is not quite up in volume to what it was at the same time last year, but that business is on a better basis. They note the absence of the pessimism so pronounced a year ago.

BANKERS, who are members of the Illinois Association, are not quite so ready to reply to circular letter inquiries sent from headquarters as they are in other states. Many bankers are prone to regard such matters as purely routine, and some think that it only over-activity on the part of the secretary, whereas, as a matter of fact, nearly everything that is being done in this state is having the personal supervision and endorsement of President Harris. For this reason bankers should be more loyal and more prompt about sending in what they have to say on matters about which inquiry has been made.

STATE bankers, for instance, have been asked to give their attitude on a number of matters, especially with reference to the resolution which was adopted at the Springfield convention calling for the preparation of a bill creating a separate and distinct banking department for Illinois. This is very important, and state bankers should furnish President Harris with their opinion in the matter.

LETTERS about burglary insurance and inquiries as to the growth of savings in all divisions of the state should have prompt attention. It is a species of neglect which is very annoying to those who are trying to accomplish some good for the general profession. Circulars have been sent out by the

road committee and also by the committee on agriculture, many of which seem to have fallen in waste places. This is a big mistake on the part of the membership; to have a strong bankers state association all the members should promptly participate in every question that is called to their attention.

PRESIDENT HARRIS is one of the kind who likes to do things. He has a strong list of splendid committees, and it now is up to the membership to complete many of the promises and projects on hand.

H. A. PEARSON, of the Pearson-Taft Land Credit Company of Chicago, Dr. W. E. Taylor, land and fertility expert of the Deere Company of Moline, and several professors of the University of Illinois, are willing to talk at Illinois group meetings, it remaining only for the group secretary to make the arrangements. The two men named are among the foremost authorities in this state, and when it comes to delivering a talk that makes a hit, they both can deliver the goods.

SOME of the other banking commissioners have complained that J. N. Dolley of Kansas is "getting too much publicity out of his office." Those who have followed the career of this intensely active official will say that he is entitled to all the credit he is receiving and to very much more. His plan of entirely eradicating from Kansas those agents and promoters who sell worthless stock to bankers and farmers will entitle him to a monument.

NOW comes Mr. Dolley with a new proposal. He wishes to restrict the issue of charters to state banks in his state to cases only where the president is to live in the bank's immediate territory. Heretofore he has had a way of making his propositions stick, and probably he will in this instance.

HE insists that each bank president shall spend at least one entire day each month in the bank, going over its assets and business, and stipulates that the bank records must show the day and date on which the president made this inspection.

COMMISSIONER DOLLEY holds that the stockholders of a bank have a right to expect this much from the man whom they have first elected a director and later made president. Mr. Dolley insists that he give the service which the stockholders have a right to expect of him.

IT is to be required further that the cashier shall give his entire time to the service of the bank. He must be cashier in fact and keep in daily touch with the bank's affairs. Hereafter in Kansas it will not be permitted for him to do his work by proxy or through the well known pretext of an assistant cashier. The majority of all bank boards must reside in the town or territory of the bank as well. Official notice to this effect has been sent out, and the big Dolley battle-ax is ready. No "chain of banks" can get inside the enclosure. (Continued on page 31)



COLONIAL TRUST & SAVINGS BANK

La Salle Street, N. E. Corner Adams, CHICAGO

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FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

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JAMES G. WAKEFIELD, Assistant Cashier
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FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

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Clarence Buckingham
Edward A. Shedd
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with the care of his estate and also expose it to the risks of individual trusteeship, when he can name a responsible Trust Company an unfailing executor and trustee?

This Company has wide investing experience, a permanent organization, ample capital, and highly specialized facilities for many sided service. No individual is in a position to afford as extensive protection.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

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THE CHICAGO BANKER

Founded in 1898

VOLUME XXXII

CHICAGO, JANUARY 27, 1912

NUMBER 4

INVESTIGATION OF THE
MONEY TRUST BEGINNING
TO ATTRACT ATTENTION

WASHINGTON LETTER

DEMOCRATIC MAJORITY NOT
DETERMINED AS TO POSI-
TION ON PUBLIC QUESTIONS

Washington, January 26.—Leaders in the democratic house have watched closely for the effect, particularly in New York, of the resolution calling for the appointment of the Lindbergh investigating committee, commissioned to discover and to dissect the "Money Trust." It is said here that inner Wall Street is greatly disturbed over the prospect of the investigation. The big banking people while protesting that there is no money trust, and that consequently there is nothing to be investigated, manifest, says rumor, a degree of apprehensiveness not in harmony with their expressions to the effect that there is nothing to look into. It appears that Speaker Clark of the house and Governor Underwood of Georgia are not pushing the investigation because of their presidential nomination aspirations. They think that a session in Wall Street by a democratic committee at this time would further disturb the financial center and by so much operate against democratic hopes in the campaign. William Jennings Bryan, however, wants the investigation prosecuted, and with vigor. So it appears that the matter of exposing the relations between important banking interests in Wall Street depends in a way upon whether the so-called "conservatives" or "radicals" dominate the policies of the leaders.

Tolls on the Panama Canal

Notwithstanding the fact that the question of tolls on the Panama Canal is now coming so urgently before congress, very few members have as yet even taken the trouble to read the terms, much less the history, of the agreement by which we undertook to treat all nations, including ourselves, upon an exactly identical basis in connection with Panama Canal tolls. All sorts of discussion about the canal is now in progress; but, throughout the whole, the question of tolls seems to hold a dominating place. Behind it all is the assumption that in some way or other we shall be entirely justified, in fact, rather clever than otherwise, in evading the terms of the agreement we made with Great Britain.

The Terms with England

By treaty the government agreed with Great Britain that:

"The canal shall be free and open to the vessels of commerce and of war observing these rules, on terms of entire equality, so that there shall be no discrimination against any such nation, or its citizens or subjects in respect of the conditions or charges of traffic or otherwise. Such conditions and charges of traffic shall be just and equitable."

Most foreign governments pay (by subsidy) the Suez tolls of every vessel flying their respective flags. If they do this it will allow foreign vessels the free (to them) use of the

Panama Canal for which American vessels will have to pay out of private funds. Quite a problem in subsidy matters which are unpopular in presidential years.

What, if Anything, Can be Done?

It is admitted by many of the administration men that congress could not legitimately pass a bill exempting American vessels from the tolls. Probably very few men on either side of the chamber would seriously suggest such a thing. What they do suggest is that by a separate enactment provision shall be made for refunding an amount equal to these tolls. They think that this will evade the evident intent of the treaty. That may be a position that can be sustained from a technical quibbling standpoint. The trouble is that democrats will probably not be willing to adopt any separate bill bestowing a subsidy, both because they are against it in principle and because they recognize that it would be simply an entering wedge for more subsidy later on. Consequently those who want to get these tolls rebated are thrown back on the proposition of providing some equivocal clause in the original canal toll legislation which will allow vessels to get a direct rebate from the government.

Making Holes in Steel Schedule

Reductions of from 30 to 50 per cent on all items in the iron and steel tariff, and the placing on the free list of iron ore, sewing machines, printing machinery, cash registers, nails and many other articles against which a tariff is now levied, are proposed in the democratic steel revision tariff bill, made public this week.

The bill was completed by the democratic members of the ways and means committee last Saturday. After being submitted to the full committee the bill was laid before the democratic caucus. It was approved by the caucus and introduced in the house Wednesday.

Democratic Leader Underwood estimated that the bill would reduce the average tariff on steel imports from 34.51 per cent to 22.42 ad valorem; would reduce the government tariff revenue from steel products by \$823,597 from 1911, and by \$4,000,000 from 1910. Imports of steel products, he said, would be increased by nearly twenty million dollars.

Wilson Stock Upward Bound

The revelation that the break between Woodrow Wilson and Colonel Harvey of Harper's Weekly was caused by Wilson's refusal to ask Wall Street aid is the political sensation of the day here. It is agreed by all that the latest development has helped the New Jersey governor immensely. There is

much speculation as to why Mr. Wilson did not make this public at once as a reply to Henry Watterson's attack on him. It was only recently that it became known that the break between Harvey and Wilson came when Harvey is said to have suggested that the governor go to Thomas F. Ryan, and ask him to finance the Wilson campaign for president.

Senator Cullom's Book Out

All the letters, which Senator Shelby M. Cullom of Illinois has received since he wrote a book filled with reminiscences and comment upon men he has known in fifty years of public life, have not been complimentary of the author's work. Senator Cullom hesitated for a long time before consenting to write down his recollections for publication in a historical volume, because he could not rid his mind of the saying attributed to a statesman some centuries older than himself, "O, that mine enemy would write a book."

One of Senator Cullom's critics is a well-known and well-to-do resident of Ashland, Ill., named Baxter. Mr. Baxter wrote Senator Cullom that he was about as old as the senator, and perhaps a little older, and knew a few things. He did not like Senator Cullom's views on the income tax, and the inheritance tax, and did not hesitate to tell the senator-author so. However, he ended his letter with a request that Senator Cullom appoint "Charlie" Douglas postmaster of Ashland, and the senator has indorsed Douglas. Previous to giving his indorsement, however, the senator wrote back that perhaps Baxter was older than he was, but that if his critic lived a great many years longer, he probably would know a great deal more than he does now. The two Illinoisans apparently derived much pleasure from the good-natured bantering.

Congressman Mann Boring In

Some democratic members of the house have a causeless grudge against Minority Leader Mann because he insists on knowing all about their "small" bills as well as every piece of "big" legislation that comes before that body. Not long ago Representative Candler of Mississippi had a little bill reported by the postoffice committee reimbursing a "little girl," who was postmaster at a small town in his district, to the extent of \$57, which had been lost in the mails without fault on her part.

"I told Mann the girl got only \$18 a month, and that she was not in any way responsible for the loss, but had been compelled to make it good, thus losing more than three months' pay," said the Mississippian. "He told me I would have to defend the bill on the floor, as he would formally object to its passage. I

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Wilmington National Bank
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Capital, \$450,000
Surplus and Profits
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It invites the correspondence of banks, corporations, firms and individuals throughout the country.

CAPITAL AND SURPLUS, \$10,000,000.00

was scared and did so, and it passed without the slightest opposition. I then went to Mann and asked how it was he did not vote against the bill. 'I knew you wanted to make a nice speech for that girl, Candler,' he said. 'I really had no objection to the bill.'

THE COUNCIL

(Continued from page 1)

was carried. Mr. Edens suggested that Mr. Van Buskirk and Mr. Traylor be upon that committee, and that the other three be made up of members of the council. Of course, there was some little opposition, as there always is to any progressive movement in the Illinois association. Next on the list President B. F. Harris called attention to the much discussed report of the committee on resolutions at the Springfield convention. That committee reported from the floor a resolution asking for a state banking department, which would take the supervision and inspection of banks out of the state auditor's office. Mr. Harris read communications from State Auditor McCullough and members of the association from all over the state, which showed that the vast majority of the state bankers desired a separate banking department such as has been demonstrated successfully in about 98 per cent of the states. Mr. Harris went a little bit further and recommended the appointment of a committee of nine, to be composed of three private bankers, three state bankers and three national bankers, to draft and report at the next convention an entirely new bill, putting all forms of banking in the state under state supervision and inspection. His motion to appoint such a committee was seconded by W. G. Edens and supported by several of those present. It was opposed by ex-presidents of the association Crabtree, Durham, Foreman and George. One of these ex-presidents said that a good reason, in his opinion, why private banks should not be molested, was the fact that if forced to incorporate, they would have to pay taxes on their capital, and that being able to run a private bank without capital enabled him to buy a new automobile each year.

What the Tribune Saw There

The Chicago Tribune tells what happened graphically as follows, when Mr. Harris had turned on the x-ray:

"His proposition met with instant and lively opposition. In the course of the argument Mr. Harris turned to the railways for an illustration.

"They didn't want supervision, either,' he said. 'They fought it at every turn. The private bankers never fought it any harder. You saw the result—it finally arrived, and it arrived with a bang.'

"Mr. Harris then moved for an Australian ballot on the question, hinting delicately that otherwise some of the state and national bankers, who do a big business with the private institutions would be afraid to express their true sentiments. The motion was defeated. Before the final question went to vote several

representatives of big state and national institutions proved the president's charge by edging out of the quorum. The final vote was 13 to 11, defeating Mr. Harris' motion. The two votes, which lost it were those of Oscar G. Foreman of the Foreman Brothers' Banking Company, a state bank, and August Blum, representing the First National. The other eleven were those of private bankers.

Vote Ends Another "Round"

"The result marked the end of one more effort to get Illinois out of the list of four states only in the union which allow private banks to run without supervision. Under present laws, any one can hang out a shingle in Illinois and start a private bank, running it just as long as the depositors continue to come in. If it breaks the supervisors have a chance to examine the books, but not before. State and national men admit that if proper supervision were applied to many private banks they would go into the hands of a receiver, but claim that the entire situation would be greatly relieved by such an event. Another attempt at supervision probably will be made this fall."

A Bill Will Be Prepared

Rumor had it that President Harris will not allow the eleven private bankers and two Chicago ex-president (under constructive obligation) to defeat the expressed (unanimous) will of the largest state convention ever held in Illinois, but will appoint an active committee under the Springfield resolution.

What the Record-Herald Saw

This is the way the Chicago Record-Herald reported the defeat (apparent) of the progressive steps authorized at the Springfield convention for better banking conditions:

Trust Company Service in New York City

This company, with ample capital, large resources, and an efficient, and well-systematized organization, which dates back to 1864, has the ability and disposition to give good trust-company service.

Our various departments, including banking, foreign exchange, bond, trust, transfer, reorganization and collection, are well equipped with modern facilities for transacting business promptly and economically.

For these reasons we feel justified in cordially inviting the New York accounts of banks and trust companies.

Guaranty Trust Company of New York

Capital and Surplus	\$23,000,000
Deposits	\$156,000,000

"The struggle was precipitated when Frank Harris, First National Bank, Champaign, president of the state association, appeared before the committee with a motion that a committee of nine be appointed to draft a bill providing that all banks be placed under supervision of a state banking department, and that the committee, in its bill, define what is meant by "trust company," "savings bank," "private bank" and other terms. Three of the committee were to be of national banks, three of state and three of private banks.

"W. G. Edens of the Central Trust Company declared that bankers must sooner or later face the issue, and that if they do not some one else will force a change in private banking methods. 'Let us vote as we think, not from a business standpoint,' he said, 'and not go home with the consciousness of having dodged a public duty.'"

Look Who's Here!

Among the distinguished guests present were Charles L. Farrell, president of a big bank in Newark, N. J., and formerly vice-president of the Fort Dearborn National of this city, and John J. Large, vice-president of a big bank in Sioux City, Iowa, a former vice-president of the Iowa association. J. Laurence Laughlin spoke at the banquet in the evening.

The ex-presidents were out in force. There were Catlin, McCoy, Foreman, Blum, Durham, George and Russel. It can be stated authoritatively that ex-President Homer McCoy has never exercised his privilege as an ex-president to vote on any matter of policy in the state association. About two-thirds of the other ex-presidents occupy exactly the same position in this respect, but the other third never fail to attend meetings, and to take an active part. President Harris, Vice-President Phillips, Chairman Montgomery and Treasurer Wyckoff were present at all of the sessions. John Little of Rushville was there, and in close proximity to the assistant secretary's desk. J. D. Washburn and W. T. Bruckner acted for the Continental and Commercial National. Chairman Hearst of Group 4, and Secretary Stevens of the same group, attended the meeting of group officers, and also the banquet in the evening. From South Chicago were McCabe and Coburn; Sammons and Wakefield circulated for the Corn Exchange; Ryther and Emory represented the big stockyards district, while Kischner and Traylor looked after the interests of East St. Louis. Thompson was in from Rockford, and from Freeport came Auburn and Aspinwall. The Wright brothers (not the aviators) from Belvidere and Crystal Lake were present. Galesburg sent Williamson and Craig, and Herdieu was up from Galva. Harrisburg, Carmi and Benton were represented by Lee, Crebs and Ward respectively. From Anna, Lexington and Cairo there were Jackson, Hiser and Aisthorpe; Decatur was strongly represented in Merriweather, Corbett and Walker. H. S. Henschen was there for the State Bank, and Lampert, Farrell and Newcomer represented



125 West Monroe Street
CHICAGO

Central Trust Company OF ILLINOIS

Capital and Surplus, \$3,000,000
Deposits - - 35,000,000

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the Fort Dearborn National. The Central Trust was ably represented by Edens, Gates and Corneau; Fox represented the Chicago Savings and Cooper spoke for Aurora. Greene of Moline was absent on account of illness, but his city was represented by Anderson. George Woodruff was up from Joliet, but was called home by a long distance call of importance. White of Peoria was prevented from being present by the very unexpected death of President Frank Trefzger of the Illinois National of that city.

Others in attendance were: C. J. Savage, Tallula; Geo. Woodland and F. B. Woodland, Chicago; Asher V. Cox, Xenia; E. A. Wagner, National Produce Bank, Chicago; Albert Eads, McComb; L. M. Emerson, Mt. Vernon; J. R. Beggs, Arcola; Philips Saunders, Streator; John Fletcher, Chicago; F. G. Hudson, Charleston; John L. Hamilton, Hoopston; John J. Doherty, Dwight; F. G. Nelson, Chicago; John Broeksmit, Harris Trust, Chicago; Ben M. Smith, Salem, and Geo. W. Telling, Danville.

There was no actual decision as to the time and place of holding the next state convention, but everything points toward Peoria, with its splendid new hotel, as being the most likely place to get it. After the banquet in the evening there was a vaudeville show, including a sleight-of-hand performance, which almost chiefly owed its success to the assistance rendered by Charlie Stevens of Evanston.

FORMER BANKER ARRESTED

Payette, Idaho, January 20.—A. Beckstead, formerly vice-president of the Securities Bank of Havre, and one of the big stockmen of northern Montana, was taken into custody here upon advices from the authorities of Great Falls, where he is charged by the First National Bank of that city with having obtained a loan of \$6,000 by a misrepresentation of credits. The alleged disclosure came about four months ago, when Beckstead filed a petition in bankruptcy.

NEXT CHAIRMAN OF COUNCIL

Among the ninety or one hundred Illinois bankers who attended the conference and banquet at the Blackstone on Wednesday afternoon and evening, general attention seemed to be focused on Col. J. S. Aisthorpe of Cairo as heir-apparent to the chairmanship of the council, now held by Judge Montgomery of Quincy. Col. Aisthorpe was a candidate at the Springfield convention, but entered the field after it had been gone over very carefully and with much patience by the present occupant of the office. Even at that, there were but few votes difference between them, and it has been conceded that Col. Aisthorpe has the position coming to him. He is one of the oldest members of the association, and has been a constant worker in the ranks. He formerly took a great interest and active part in the affairs of the American Bankers Association. Other candidates were spoken of in a most friendly way. Those most frequently mentioned were George Woodruff, the Joliet author and finisher of the new constitution; Rob-

ert Ward of "down-state," and Ascher V. Cox, helmsman for the private bankers of the state. Friends of Col. Aisthorpe and Mr. Woodruff can see no possible conflict between these two gentlemen as to who shall have the honor of withdrawing in favor of the other. They have both earned the honor, and all of the bankers in the state want to see each of them in the office at the appropriate time.

ENFORCING NATIONAL BANK LAWS

Comptroller of the Currency Murray is making an investigation of certain banks in various parts of the country which have for years not lived up to the law relating to reserves, and which have defied both the national bank examiners and the comptroller's office. The law relating to reserves is one of the most drastic parts of the national bank act, and provides that after thirty days' notice from the comptroller to the bank that its reserve is below the legal requirements, he may appoint a receiver for the bank, though the bank may be perfectly solvent.

By another provision of the national bank act the forfeiture of the charter of the bank may be obtained for failure to carry the legal reserve by an action brought by the secretary of the treasury.

The comptroller is making an investigation of all national banks for a period of five years, and when his investigations are completed he proposes to take the steps necessary to have those banks which have not maintained the legal reserve, as required by law in the past, to observe it in the future. He feels that as the law contains such a drastic provision relating to reserves congress intended the law to be observed by the banks and enforced by the comptroller of the currency.

Wanamingo, Minn.—The town is to have another bank, with a capital of \$25,000. A committee of C. A. Stromms, R. C. Lund and L. E. Johnson are interested in the project. The capitalization of the Farmer's State Bank will be raised to \$30,000.

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Capital - - - \$1,500,000
Surplus and profits (earned) 1,922,000
Deposits over - - - 24,000,000

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JOHN R. LINDGREN, Vice-President C. EDWARD CARLSON, Asst. Cashier
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NEW BANKING ORDER BY DOLLEY

Bank Commissioner J. N. Dolley of Kansas has sent out the following to his examiners:

In the future the policy of this department will be that all presidents of state banks must reside in the town wherein the bank is located, or in the territory tributary thereto, and the town in which the bank is located must be the principal place of business or headquarters of the president.

The president must spend at least one day each month in the bank, going carefully over all of its assets and business in detail, and the records of the bank must show what day and date the president inspected such bank, and the number of hours occupied for such inspection.

The stockholders of the bank have elected him through their directors, not as an additional honor, but as an additional responsibility. The stockholders and the depositing public expect, and are entitled to receive as much of his services as it is possible for him to give, and he cannot serve them to advantage unless he visits the bank regularly and keeps in close personal touch with the affairs of the bank, and the department insists that this be done.

The cashier of all state banks must occupy his full time in the service of the bank. He must be cashier in fact, and in close daily touch with all of the bank's affairs. It will not be permitted in the future for the cashier to have an assistant cashier or clerk, who performs the cashier's duty while the cashier is away from the bank a goodly portion of his time.

A majority of all boards of directors of state banks must reside in the town or in the territory tributary thereto, and the town wherein the bank is located must be the principal place of business or the business headquarters of said majority of directors.

The so-called management of state banks by officers that do not in fact thoroughly manage as their titles of office imply will not be further permitted. This policy must be en-

forced, and you are hereby instructed to assist, so that it may be enforced effectively.

Order No. 2

The president of all building and loan associations in Kansas must reside in the town wherein the building and loan association is located, or in the country tributary thereto, and the town in which the association is located, or in the country tributary thereto, and the town in which the association is located must be his headquarters. He must keep in close touch with the affairs of the association, know its work thoroughly, and once each month, at least, inspect its affairs.

The presidency of a building and loan association is a sacred trust, one of the most sacred in the financial world. The stockholders elect him because they have confidence in his business judgment and responsibility, when the trust is accepted it should be discharged faithfully, and that cannot be done unless he visits the institution regularly and keeps in close personal touch with its details, and the department insists that this be done.

All members of the board of directors of building and loan associations must attend all special and regular meetings, and at each meeting go over all of the business transacted during the time intervening and the minutes of such meeting must show the members in attendance, and those absent, and the cause for their absence.

A majority of all boards of directors of building and loan association must reside in the town or in the territory tributary thereto, and the town wherein the association is located must be the principal place of business

or the business headquarters of said majority of directors.

Every building and loan association must hold a meeting of its board of directors monthly, and the minutes of such meetings must show in full and detail all business transacted during the meeting.

At the finish of the examination by the representative of the state banking department, the board of directors of the building and loan association will be convened, and said board of directors will go over all the assets and affairs of the association with the examiner, and the board of directors will be expected to sign a report to the department as to the true condition of the affairs of the association.

The so-called management of building and loan associations by officers that do not in fact thoroughly manage as their titles of office imply will not be further permitted. This policy must be enforced and you are hereby instructed to assist so that it may be enforced effectively.

GUSTAV REINKE MADE PRESIDENT

Gustav Reinke was elected president of the newly organized Wisconsin State Savings Bank at a meeting of the stockholders Monday night. Other officials chosen are as follows: Vice-president, T. C. Esser; cashier, William Lochner; directors, William P. Hug, Henry Schumacher, Fred W. Kaufman, E. L. Mohr, N. G. Peters, F. C. Schultz, Albert Schultz, T. C. Esser and Gustav Reinke. The bank will begin business on February 5th.

NEW WISCONSIN BANK

Madison, Wis.—Incorporation papers for the State Bank of Siren, Burnett county, approved. The capital stock is \$10,000, and the incorporators are Harry D. Baker, John T. Retsven, Frank Fahland and others.

The First National Bank's charter at Wells, Minn., has been renewed.

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BANK CHANGES IN MILWAUKEE

Milwaukee, January 22.—It came as a surprise, on Saturday when announcement was made of changes in the personnel of the staff of Wisconsin's biggest savings bank—The Second Ward. Willis L. Cheney, of the big Wisconsin National force, was elected cashier and director. Another change in the new slate of officers of interest is the election of Albert Elser, son-in-law of Alfred Uihlein, as vice-president. In the future both he and Mr. Cheney will devote their undivided attention to the bank. The new slate would indicate that it proposes in the future to do a general banking business. It has for many years been the largest savings depository in the state and the banking fraternity of Wisconsin often wondered why the bank did not seek other profitable business, which apparently was at its front door.

The bank will also soon announce the appointment of a bond manager, who will have charge of the investment end of the institution, which, according to the owners of the bank, will have safety deposit vaults with over 4,000 boxes and a total vault equipment weighing over 400 tons in Bessemer and Chrome steel. The new policy makes this an epoch-making period for the institution, and will also tend to make Milwaukee a much larger financial center.

The new officers of the bank are: President, Joseph E. Uihlein; vice-presidents Henry G. Bielfeld, Albert Elser and Charles Schmidt; cashier, Willis L. Cheney; assistant cashier, Frank Brand; directors for the year: John Kremer, Albert Elser, Fred Schroeder, Henry Schroeder, Joseph E. Uihlein, Willis L. Cheney, William B. Uihlein, Henry G. Bielfeld, Charles Schmidt and Robert Uihlein.

Mr. Cheney was born in Watertown, Wis., November 8, 1872. In 1889 he entered the employ of the Wisconsin National Bank there as messenger, serving in various capacities. He came to Milwaukee in June, 1893, as assistant bookkeeper with the Wisconsin National Bank here. Shortly after, he was put in charge of the collection and mail departments. In 1903 he was made credit clerk, after which he was for more than a year auditor, when, January 11, 1906, he was made assistant cashier. He has many friends in Milwaukee and a wide acquaintance with bankers throughout the Northwest.

Charles G. Dawes, who is back from the East, reports conditions as practically unchanged, except that the money market is easier.

Arthur Reynolds

Chairman Arthur Reynolds of the executive council of the American Bankers Association has gone with his family to Los Angeles, Cal., for the balance of the winter, as is his custom. He takes his pet Six Cylinder, also, which he drives himself like an expert.

HOUSTON GETS LARGEST BANK IN TEXAS

Through a consolidation of the Commercial National Bank and the South Texas National Bank, which becomes effective March 2d, Houston is to have the largest bank in Texas. The new institution will be known as the South Texas Commercial National Bank and will be organized with a paid up capital of \$1,000,000, a surplus of \$500,000 and undivided profits of approximately \$500,000, opening business with a working capital of approximately \$2,000,000 and (using the last published statements of December 5, 1911, as a basis) with resources of approximately \$15,000,000. The new board of directors will be comprised of the boards of the two banks.

The consolidation gives the new bank combined deposits of more than \$11,000,000. The total resources of the two banks will aggregate more than \$15,000,000. W. B. Chew, president of the Commercial National Bank, will be president of the combined institution. Chas. Dillingham, president of the South Texas National Bank, will become chairman of the board of directors. D. B. Harris will be active vice-president and cashier.

NEW TRUST COMPANY FOR NEW ORLEANS

Those who have in charge the organization of the Banking Trust Company at New Orleans, La., send out word that they are making rapid headway. They believe that the opening of the Panama Canal and the improvement of the submerged lands in and around New Orleans will require the services of an additional trust company. The field is centrally located, and business appears to be moving in that direction at this time. Stock is being subscribed at \$125 a share, which will create a capital of a million and a surplus of two hundred and fifty thousand. It is not the expectation or intention of the company to solicit deposits; it will confine its activities strictly to the business of a trust company, and engage in the upbuilding of new and paying enterprises. This will not interfere with the business of the existing banks. The stock of the company will be listed on the New Orleans Exchange, and it is expected that in time there will be quite an active market for it. One trust company in New Orleans is now paying well over 30 per cent dividends, and all the others are making good returns on the capital, so that the prospects are quite pleasing. According to the prospectus, the ten men who have consented to act as directors, and who are subscribers for the shares, are all well known business men and attorneys, which ought to command local support.

GUARANTY (N. Y.) CLUB ANNUAL DINNER

The Guaranty Club, composed of officers and employees of the Guaranty Trust Company of New York, held its first annual dinner at the Taverne Louis, Saturday evening. Over 200 were in attendance. Addresses were made by Vice-President L. B. Franklin and by S. S. Shaw, president of the Chase Bank Club, and J. Wohnsiedler, president of the City Bank Club. Officers of the club and chairmen of the various committees gave brief talks concerning the past, present and future of the organization. F. W. Ellsworth, president, was toastmaster. Announcement was made that on March 1st there will be published the first issue of the "Guaranty News," a monthly paper, with Hy. R. Wohlers as editor, to be devoted to the interests of the club and to the Guaranty Trust Company.

Hayfield, Minn.—Hy Ramberg has resigned as cashier of the Citizens State Bank here, and will be succeeded by Mr. Finseth of Kenyon.

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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

After weeks of illness Levin D. Gass, for many years cashier of the First National of Danville, passed away at his home a few days ago. His career was another example of sterling worth and of a lifetime of service to one institution. He entered the bank as a clerk in 1875 and was later advanced to the office of cashier.

Though only fifty-three years of age, Mr. Gass had concentrated much activity in his career. He was a prominent fraternal man, being past grand chancellor of the Illinois Knights of Pythias, and a thirty-third degree Mason. While ill he was elected as one of the representatives of the grand lodge of Illinois to the supreme lodge of the Knights of Pythias. He served the Danville city board of education as president for a number of years and was re-elected to that office ten times. In 1875 he joined the Illinois national guard and was mustered out in 1883 as adjutant of his regiment with the rank of captain. He again entered the service in 1906 as a major and quartermaster of the Fourth brigade and finally served as a colonel on the staff of General Young, who commanded the Illinois national guard. Mr. Gass was president of the Danville Buggy Company and was treasurer of the Vermillion County Telephone Company.

Many Study Agriculture at U. of I.

Farmer-bankers will be glad to learn that the short agricultural course offered by the University of Illinois to the farmer boys and girls of the state is well attended, there being an enrollment of about one thousand from all over the state. For the young men there are daily lectures on agricultural topics and class work in corn judging, farm mechanics, study of soils, crop reproduction, veterinary science and dairying. For the young women there are lectures and demonstrations on the home, food, health and clothing.

Illinois Notes.

It is reported that a new trust company will soon be established in Charleston.

The bankers of Kankakee county are interested in forming a county organization along the lines suggested by the state association. The meeting will be held at the LaFayette Hotel in Kankakee and will be followed by a luncheon.

J. T. Robertson has retired from the staff of the Farmers National of Virginia after many years of service. The Robertson family have always been influential officers and directors of this institution.

A first dividend of 5 per cent has been declared by the trustee of the bankrupt estate of Earle W. Butler in the United States court at Peoria. It is believed that possibly 15 per cent can be realized out of the very tangled assets of the wild young banker. The notes of the banks in which Butler was interested have shrunk to practically nothing. There are claims of about \$130,000, of which amount about \$19,000 will probably be paid.

There are indications that the comment of the comptroller of the currency on the subject of overdrafts in national banks is receiving careful attention in this state. Some bankers in Illinois are also following the "back-to-the-soil" propaganda and are offering prizes to the best corn-raisers in their vicinity. Both straws show the wind to be blowing from the right direction.

The banks of Henderson county, located west of Galesburg along the Mississippi river, are reported to be in excellent condition according to the report of the three national and the two state banks in that county. There are no large towns in the county but the banks are doing a conservative business helping the farmers and merchants. Dividends of 15 per cent have been declared besides carrying funds to the surplus account.

Benjamin F. Caldwell, president of the Chat-

ham State in Sangamon county and formerly president of the Farmers National of Springfield, is a democratic candidate for the nomination of governor of Illinois. He served the Springfield district in congress for several terms.

The City National Bank building of Dixon was damaged by fire Sunday to the amount of \$12,000. Other establishments around the bank were also heavily damaged.

Russell Lowry, formerly of Pontiac but now residing in California, has been elected cashier of the American National of San Francisco.

The Peoples Bank of Lexington is having plans drawn for a new building which will be erected this season.

GULFPORT FIRST NATIONAL ELECTION

J. A. Bandi, the active vice-president and managing officer of the First National at Gulfport, Miss., believes that the January election in his bank gave to it the strongest board of directors in the state of Mississippi. He claims that there is not a man of them but who is well known throughout the entire state, not only for his financial strength, but for business acumen and sterling character. The First National has opened a savings department, and already has more than one hundred thousand in deposits.

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United States	1900	1910	Per Cent Increase
Population.....	75,994,000	91,972,000	21%
Wealth.....	\$88,517,000,000	\$125,000,000,000	41%
Money Circulation.....	2,055,000,000	3,180,000,000	54%
Savings Bank Deposits ..	2,389,000,000	4,070,486,000	70%
National Bank Deposits ..	2,458,000,000	5,287,216,000	115%
Bank Clearings, U. S.	84,582,000,000	158,559,487,000	87%
Bank Clearings, N. Y.	51,964,000,000	99,257,662,000	91%

Irving National Exchange Bank

	1900	1910	Per Cent Increase
Capital.....	\$ 300,000	2,000,000	566%
Surplus and Profits.....	100,900	1,797,900	1681%
Deposits.....	3,446,500	28,360,200	722%
Assets.....	4,108,800	33,347,200	711%

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JAMES E. NICHOLS, V.-Pres. LEWIS E. PIERSON, President
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RICHARD J. FAUST, Jr., Asst. Cash.

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NEW YORK

NEW CHICAGO BANK FORMING

Application for permission to organize a new bank, the Franklin Trust and Savings Bank, at the northeast corner of Michigan Avenue and East Thirty-Fifth Street, was made yesterday in the state auditor's office at Springfield.

The incorporators are Simon W. Straus, president of S. W. Straus & Co.; Charles G. Dawes, president of the Central Trust Company of Illinois, and Maurice L. Rothschild, clothier—all of Chicago.

The capital stock, all of which has been subscribed, is \$200,000, and the surplus \$50,000. The stock was sold at 130.

The new bank will open for business the last Monday in April. The quarters it will occupy are in a new building—the Franklin Trust and Savings Bank building just completed. A large clientage for the new bank, chiefly on the South Side, is already assured.

FIRST NATIONAL OF DENVER

The deposits of the First National of Denver have reached approximately nineteen millions. A. V. Hunter is president; Thomas Keely, F. G. Moffat and Gerald Hughes are vice-presidents, and C. S. Haughwout cashier. The bank is now occupying its new home, a beautiful twelve-story building at the corner of Stout and Seventeenth streets. The building is 125 feet square. The bank occupies the entire first and mezzanine floors, as well as a part of the basement. It is claimed by many who have made careful observation, that the First National has one of the handsomest banking rooms, in shape, design and lighting, as well as in quality of its fixtures, to be found in the United States. The bank was founded in 1865 by Jerome B. Chaffee, who selected David H. Moffat for his cashier. In 1880 Mr. Moffat succeeded to the presidency, which office he held until his death last year. During nearly all of this long period the First National was known as the Moffat bank.

STATE BANKS OF NEW YORK

Albany.—State banking department reports the total resources of the 195 state banks, on December 21, 1911, as \$611,632,378, which compares with \$611,833,854 at the date of the previous call, September 29, 1911. Total deposits decreased in that period over \$5,500,000, and were, on the date of the last call, \$517,757,494.

DEATH OF PROMINENT PEORIA BANKER

The death of Frank Trefzger, president of the Illinois National Bank, Peoria, Ill., on Sunday morning, after the brief period of one week's illness of erysipelas, came as a great shock to his many friends and business associates. For more than thirty-five years Mr. Trefzger had been identified with the bank-



FRANK TREFZGER
Late President Illinois National, Peoria, Illinois

ing interests of Peoria and was one of the most widely known bankers in Central Illinois. Aside from affiliation with the bank organizations, he was a prominent member of the Creve Coeur Club, the Association of Commerce, and several secret organizations.

Thirty-five years ago Mr. Trefzger started as a messenger boy in the old German Bank. By close application to his work he gradually was promoted to a position of trust in that institution. When the Home Savings and State Bank was established twenty years ago by Valentine Ulrich the services of Mr. Trefzger were secured as cashier. He remained with that institution until nine years ago, when Martin Kingman, recognized as one of the best bankers in Peoria at that time, persuaded Mr. Trefzger to accept a similar position in

the Illinois National Bank. In the position of cashier his worth was demonstrated to the banking firm, and three years ago he was elected president. Just a month ago he was re-elected for the fourth term to the presidency of the bank. The unusual success of the financial organization is credited largely to his work.

A FOURTEEN DAY TRIP

S. A. Hughes, general immigration agent of the Frisco Lines at St. Louis, has arranged a two weeks' trip especially for business men and bankers, to take them through the great state of Texas, particularly in that section known as the gulf-coast country. There has been marvelous development in this fertile section of the Lone Star state, and some of her cities have been going forward at a surprisingly rapid rate. Much of that country, which a few years ago was devoted to cattle ranch purposes, now contains thriving cities and towns. Texas has a state appropriation for the teaching of agriculture, horticulture and intensive farming. The tour will be under the personal direction of H. R. Gregory of the Frisco Lines, an accomplished gentleman and expert. The cost is but \$99.50. The schedule includes the beauties of Boston range, of the Ozark mountains in northwestern Arkansas, and the mountains along the Gasconade and Meramec rivers. The small sum of \$99.50 includes round-trip transportation, meals in dining cars and at hotels, side-trips and automobile rides, as well as sleeping car accommodations. Practically all of the important cities of Texas will be visited for a short stop. The train is expected to leave St. Louis at 11:20 p.m., February 20th. A deposit of but \$10 is required to hold accommodations. A beautifully illustrated booklet will be sent upon application to either Mr. Hughes or Mr. Gregory.

WILSON W. LAMPERT MARRIED

On Saturday last Wilson W. Lampert, assistant cashier of the Continental and Commercial National Bank of this city, was married to Lillian Eckstein at St. James M. E. Church, Forty-sixth Street and Ellis Avenue. A wedding supper was served in the banquet room of the Blackstone Hotel, attended by all of the officers of the Continental and Commercial and their families. The supper was followed by a reception and dance, after which the bride and groom left for New Orleans and the South.

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President L. G. BOURNIQUE, Cashier
HERMAN F. WOLF, 2nd Vice-President WALTER KASTEN, Assistant Cashier

DIRECTORS

L. J. Petit Frederick Kasten Gustave Pabst Clement C. Smith
Herman W. Falk Geo. D. Van Dyke Patrick Cudahy Dr. Chas. E. Albright
Isaac D. Adler H. M. Thompson Charles Schriber Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

OLIVER C. FULLER, President GARDNER P. STICKNEY, Vice-President
FRED. C. BEST, Secretary R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit Frederick Kasten R. W. Houghton Oliver C. Fuller
Herman W. Falk Charles Schriber Gustave Pabst Gardner P. Stickney
Isaac D. Adler H. M. Thompson Patrick Cudahy Clement C. Smith

BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

Some improvement in local business has been noted during the past week, as indicated by the daily clearings, which are running somewhat in excess of the total showing for the same period one year ago.

Merchants and manufacturers alike appear to be feeling some slight revival in trade, particularly among the manufacturers it is reported that the outlook for the spring and summer trade is unusually good.

Among the iron and steel manufacturers a number of heavy orders have been booked the last week, which, together with orders already in hand, insure fairly active operations for some time to come.

At the various banks, not only in Milwaukee, but throughout the country in general, deposits are well up to the mark established last year, with collections reported fairly good in nearly every instance. Bond salesmen returning from points out in the state report a trade fully up to what might be expected for this period of the year, and appear very sanguine regarding future trade.

Individual trade, or "over the counter trade," as it is termed in Milwaukee, has been good with the majority of sales registered among the different railroad bonds. There has also been a fairly active call for the industrials, as well as public utilities.

Wisconsin National Promotes Employee

At a meeting of the directors of the Wisconsin National Bank, held early this week,

James M. Hayes, chief paying teller of the bank since its organization, was elected assistant cashier. To fill the position vacated by the promotion of Mr. Hayes, Arthur Van Dyke Clarkson, paying teller, was made chief paying teller.

These promotions came as a regular feature of the bank's policy of advancing its worthy employees to positions of trust.

Aldrich Bill is Favored

President W. P. Bishop of the Milwaukee Chamber of Commerce, and James K. Ilsley, president of the Marshall & Ilsley Bank, returned early in the week from Washington, D. C., where they had been in attendance for the last five days at the annual meeting of the board of trade. Mr. Bishop was elected as vice-president of the organization.

One of the leading features of the convention was a report by Mr. Ilsley regarding the Aldrich currency bill. Mr. Aldrich spoke in favor of the bill, and a resolution was passed to this effect.

New Bank Has Its Troubles

The International Bank of Sheboygan, the proposed new state bank, has not yet been opened for business, and no date for the opening is set. The bank officials are waiting for a certificate giving the permission to do business, and until this is issued by the state authorities, the bank cannot be opened.

Cashier Zeidler states that the charter for

the bank has been issued and that everything is in readiness to start as soon as the necessary certificate comes to hand.

Racine Man Comes to Milwaukee

Frederick A. Lochner, receiving teller of the Manufacturers National Bank of Racine, will leave on February 1st for Milwaukee, where he has accepted a position as cashier of the Wisconsin Savings Bank.

Mr. Lochner has for many years been connected with the Racine institution, having entered its employ as a messenger boy, and comes to Milwaukee highly recommended.

Elect Clearing House Officers

J. W. P. Lombard was re-elected president of the Milwaukee Clearing House Association at the first annual meeting held January 6th.

Other officers re-elected are: Vice-President, James K. Ilsley; manager of the clearing house, George W. Strohmeier; clearing house committee, Frederick Kasten, chairman; William Bigelow, Washington Becker, Charles C. Schmidt and A. G. Schultze.

The clearances for the year were \$696,732-779.15, an increase of \$38,738,206.73 over 1910. The total bank balances for January, 1911, were \$87,813,123.54.

Ipswich, S. D.—Q. W. Hutchinson was elected cashier of the First State Bank, taking the position formerly held by W. H. Morris, resigned.



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

OFFICERS AND DIRECTORS

JAMES K. ILSLEY, President	J. H. PUELICHER, Cashier
JOHN CAMPBELL, Vice-President	H. J. PAINE, Assistant Cashier
F. X. BODDEN, Assistant Cashier	S. H. MARSHALL
G. A. RUESS, Mgr. South Side Branch	R. N. McMYNN
J. H. TWEEDY, Jr.	C. C. YAWKEY
GUSTAV RUESS	

DEATH OF COL. FARNSWORTH'S FATHER

Detroit, January 23.—Leander L. Farnsworth, father of Colonel Fred. E. Farnsworth, general secretary of the American Bankers Association, one of the oldest and most venerable of Detroit's pioneer citizens, died of paralysis in the Nobel sanatorium, Detroit, Saturday, January 20th, at the age of 91 years, seventy-six of which he has been a resident of Detroit. Coming here in July, 1836, Mr. Farnsworth engaged in various commercial enterprises, until in 1848, he entered the shoe business as a member of the firm of Lyon & Farnsworth, of which he was the sole proprietor for many years, the business being continued up to 1891. He was prominent in the social, church and business life of this city for half a century. For several years he made his home at Mt. Dora, Fla., in the winters. Funeral was on Monday.

EUTAW SAVINGS BANK OF BALTI- MORE

One of the best known savings banks in America is the Eutaw of Baltimore, which was incorporated in 1847. On January 1st, it made its sixty-fourth annual report. Funds on hand December 30, 1911, were \$26,039.61. The total resources are about seven millions more than this. More than twenty-one millions are carried as investments. The bank prints a full list of government, state and municipal bonds and railroad securities carried on its books. The amount in each case is set forth so that any patron of the Eutaw can tell at a glance in just what his savings account at the Eutaw is invested. The bank gives the rate per cent which each one of the securities pays, and gives the dates of the maturities of those held by it. The Eutaw has no capital stock, being operated solely in the interest of depositors. Interest at the rate of 3½ per cent is allowed on all sums above \$5.00, for every calendar month they may be continued with the bank. No advantage whatever is taken of depositors who are obliged to withdraw money at times in advance of the interest day. The bank is examined by the state banking commissioner. One of the general rules is that deposits by or payments to an individual can not be made more frequently than once a week. The banking room of the Eutaw is one of the handsomest in the country. William

M. Hayden is president; Edward L. Robinson, vice-president, and Frank G. Evans treasurer.

1912 HANDBOOK IS OUT

The "Handbook of Securities for 1912," published by the Commercial and Financial Chronicle, has been issued. It offers useful statistical information in convenient form for ready reference relating to leading railroad and industrial stocks and bonds. Railroad income and dividend records for years back are shown, together with yearly and monthly range of prices of securities traded in on the New York, Chicago and other stock exchanges, and other data.

NEW YORK BANKS STILL GAIN

New York, January 22.—The known movements of money for the week ended with the close of business on Thursday indicate a further gain in cash by the local banks of \$17,458,000. They gained net from the interior \$11,338,000, and gained in addition from the subtreasury \$6,120,000.

RECENT BANK ELECTIONS

The annual meeting of the Calumet Trust and Savings Bank was held January 16th. The following directors were elected: F. Nay, H. R. Baldwin, H. R. Clissold, I. M. Price, E. J. Price, W. D. Hurlbut, C. G. Blake, after which they declared the usual semiannual dividend of 4 per cent on its stock, and elected the following officers:

Frank Nay, president; H. R. Clissold, vice-president; Fred Bateman, cashier.

North Shore Trust Company

Directors and officers of the North Shore Trust Company, Highland Park, Ill., have been re-elected as follows:

Directors—J. Fred McGuire, Charles A. Wightman, Arthur W. Vercoe, Ira J. Geer, R. C. Keller. President, J. Fred McGuire; vice-president, Charles A. Wightman; cashier, Arthur W. Vercoe; assistant cashier, E. J. Grundy.

BANKING CONDITIONS IMPROVING

Salem, Ore.—"The general adoption of safer and more conservative methods by our state banks is placing the banking business of the state under a sounder basis than it has ever before occupied," says Superintendent of Banks Wright in his annual report. "Banking conditions in the state show continued improvement. Every effort is being made to compel liquidation or reorganization of any bank conducting its business in a reckless or unjudicious manner. As the present law grants authority to this department to require the removal of bank officials found to be reckless, incompetent or dishonest, much has been accomplished in the past year in securing reorganization or improvement in the condition of a number of banks of which the public is of necessity uninformed. The failures which have occurred in the past year were banks organized prior to the enactment of any state banking laws. It is, indeed, unfortunate that this state was so long without any banking laws." In conclusion in his report, the superintendent says:

"I believe the indiscriminate organization of banks is not only a menace to legitimate banking, but a danger to the public, and it will be my policy to protect banking interests of this state by refusing to grant authority for new banks to organize until by careful investigation I am satisfied that local conditions are developing to an extent that additional banking facilities are required."

Convention Dates

VERMONT—Montpelier, February 22; Secretary, F. R. Dickerman, Bristol.

TEXAS—San Antonio, May 7, 8 and 9; Secretary, J. W. Hoopes, Austin.

OKLAHOMA—Tulsa, May 10 and 11; Secretary, W. B. Harrison, Enid.

ALABAMA—Mobile, May 17 and 18; Secretary, McLane Tilton, Jr., Pell City.

MISSOURI—Joplin, May 21 and 22; Secretary, W. F. Keyser, Sedalia.

KANSAS—Topeka, May 23 and 24; Secretary, W. W. Bowman, Topeka.

MINNESOTA—State Agricultural College, St. Paul, June 14 and 15; Secretary Charles R. Frost, Minneapolis.

VIRGINIA—Old Point Comfort, June 20, 21 and 22; Secretary, Walker Scott, Farmville.

NEW YORK—Buffalo, June . . . ; Secretary, William J. Henry, New York City.

WISCONSIN—Milwaukee, July 24 and 25; Secretary, George D. Bartlett, Milwaukee.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

JACKSON JOHNSON, Vice-Pres.
FRANK O. HICKS, Vice-President

EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

WALKER HILL, President
G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin

St. Louis, January 24.—The week has developed absolutely no feature in the local monetary situation. Business is running along on a slow, routine scale, with the demand from all sources rather limited. There are apparently plenty of borrowers who could use funds, but they are universally holding out for a lower rate of interest than the banks are willing to concede. The result has been a sort of deadlock, with some apathy as a logical result. Among the banking fraternity the opinion prevails that the next few months must bring forth considerable improvement in the inquiry for funds, and chiefly for this reason they are not making any vigorous campaign to enlarge their loans. The weakness in the East has had a moral effect here. There is pretty brisk competition for short time commercial paper, especially the choice names, but loans of long duration are not popular. On the whole the outlook is considered reassuring. Banks at this center, and in fact the entire Southwest, are in about as strong a position as ever before in their history, at this particular period of the year. Within the past ten days business in the wholesale district has picked up in a marked degree, and in certain lines sales are running way over what had been anticipated or hoped for at the first of the month. Collections, both city and country, are reported as being for the most part satisfactory. Several railroads terminating at St. Louis are entering the market for considerable sums, for improvements and the purchase of rolling stock. It is believed that by the first of April these systems will be large borrowers, and the intention seems to be to finance the betterments as far as possible through St. Louis financial institutions. Absolutely nothing in a speculative way is being done here at present, and very little in the way of new enterprise for the moment. In the extremes discount rates range from 4 to 5¼ per cent.

Stock Exchange Operations

Total sales of stocks and bonds on the St. Louis Stock Exchange in 1911 amounted to only \$5,848,277, as compared with \$7,123,937 in 1910, a decrease for the year of \$1,275,660. The year was one of Sunday quietness here, but relatively the decrease in sales here was no greater than at other leading centers. In many respects the year was satisfactory. Prices were generally well maintained, which is an important factor, as the local market is almost exclusively an investment one. There was little done at any time in a speculative way, which fact is largely accountable for the smaller volume of business. The most active stock in 1911 was United Railways preferred, 15,811

shares of that issue changing hands for a consideration of \$635,580. In the bank and trust company list National Bank of Commerce was the leader in point of activity, 4,007 shares selling for \$756,998. All told 5,104 shares of bank stock were dealt in, bringing \$1,142,794, and 5,502 shares of trust company stock sold at \$929,264. Following is a recapitulation of the year's operations:

	Shares	Amount
Bank stocks	5,104	\$1,142,794.50
Trust Co. stocks	5,502	929,264.16
Miscellaneous stocks ...	17,401	1,040,641.27
Street Ry. stocks	20,340	684,372.38
Mining stocks	18,687	8,728.86
Totals	67,035	\$3,805,801.17
Bonds	\$2,235,860	2,042,476.48
Grand total		\$5,848,277.63

United Railways Affairs

The annual stockholders meeting of the United Railways, held this week, developed a statement which is considered by local financiers the best the company has ever made. Net earnings were sufficient to wipe out a floating debt of \$1,400,000 and leave nearly \$225,000 in the treasury. It has been many a day since the company possessed a bona fide surplus. The shares and bonds of the corporation improved on the local stock exchange, and this improvement gave a decidedly more optimistic and active tone to the market than has existed for more than a year. Total receipts for 1911 were \$11,914,153, almost \$500,000 more than in the preceding year. The following directors were re-elected: John I. Beggs, A. D. Brown, James Campbell, Murray Carleton, David R. Francis, Jr., Richard McCulloch, Robert McCulloch and Festus J. Wade. Captain Robert McCulloch was re-elected president and general manager, and there were no changes in other offices.

Missouri Bankers' Plans

The preliminary program for the twenty-second annual convention of the Missouri

Bankers Association in Joplin, May 21st and 22d, will soon be announced by the committee, consisting of A. H. Waite, president, of Joplin; F. F. Calkins, vice-president, of St. Joseph; W. F. Keyser of Sedalia, and John B. Jennings, treasurer, of Moberly. Headquarters of the association will be at the Connor Hotel, and the entertainment of visitors will be arranged by Joplin bankers and the Commercial Club. Some unique features are being planned for the social side of the gathering. This year's convention will be the second at Joplin within the last four years. Missouri enjoys the distinction of including in its bankers association every financial institution in the state. Missouri has been drawn upon heavily in recent years by the American Bankers Association for official staff material. Secretary Keyser is retiring secretary of the secretaries committee of the national organization; Charles H. Huttig, president of the Third National, will be chosen president of the association this year, and W. C. Harris, former president of the Missouri Association, A. O. Wilson, vice-president of the State National of St. Louis, and C. B. Hutcheson of Kansas City are members of the National Executive Council.

No Change in Commonwealth

There was no change in the personnel of the directors and officers of the Commonwealth Trust Company. The following directors were re-elected: A. N. Edwards, Edward Hidden, F. W. Allen, A. D. Brown, George O. Carpenter, Thomas W. Crouch, Samuel C. Davis, S. M. Dodd, W. C. Fordyce, E. F. Goltra, James Green, J. L. Green, Sam B. Jeffries, Sam M. Kennard, Henry Koehler, A. W. Lambert, Elias Michael, L. B. Pierce, E. P. Preotorius, S. F. Pryor, Thomas Randolph, W. D. Simmons, Otto F. Stifel, M. B. Wallace and J. M. Woods.

Broadway Savings Election

The Broadway Savings Trust Company elected the following directors to serve for three years: George F. Cottrill, F. R. Jackes, W. F. Gilston, T. W. Remmers and A. L. Stocke. Charles S. Brown was re-elected president; F. R. Jackes, first vice-president; G. F. Cottrill, second vice-president; E. L. Adreon, third vice-president; Theodore Bothmann, secretary; W. F. Gilster, treasurer and C. F. Steitz, real estate officer.

Clearing-House Election

The German-American Bank received recognition in the St. Louis clearing house this time, William P. Kennett, president of that institution, having been elected president of the association to succeed Charles H. Huttig. W. H.

Our correspondents are pleased with the care we take of their business at the St. Louis National Stock Yards, because it is *thoughtful*, not mechanical.

CORRESPONDENCE INVITED

The National Stock Yards National Bank
National Stock Yards - Illinois

The Chatham and Phenix

National Bank of New York

192 BROADWAY

DIRECTORS

HORACE E. ANDREWS
President New York State Railways
AUGUST BELMONT
August Belmont & Co.
AUGUST BELMONT, Jr.
August Belmont & Co.
DANIEL J. CARROLL
President Albemarle Stone Co.
WILLIAM B. CONRAD
W. B. Conrad & Co.
P. S. DU PONT
Treas. E. I. Du Pont de Nemours Powder Co.
DESMOND DUNNE
President Desmond Dunne Co.
O. G. FESSENDEN
Hayden W. Wheeler & Co.
ELBERT H. GARY
Chairman of the Board U. S. Steel Corporation
H. STUART HOTCHKISS
Vice-Pres. and Treas. L. Candee Rubber Co.
JOHN M. HANSEN
President Standard Steel Car Co.
PARMELY W. HERRICK
Cleveland, Ohio
GEORGE M. HARD
Chairman of the Board
FRANK J. HEANEY
Everett, Heaney & Co.
AUGUST HECKSCHER
Vice-President Eastern Steel Co.
FRANKLIN S. JEROME
President First National Bank, Norwich, Conn.
ADRIAN H. JOLINE
New York City

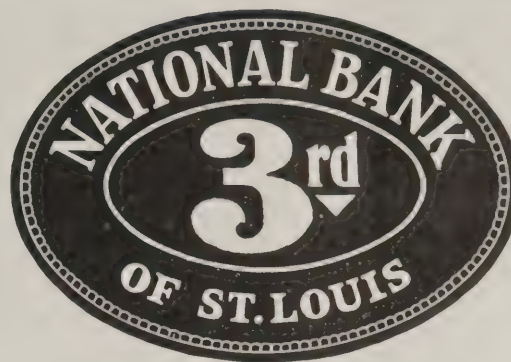
LOUIS G. KAUFMAN
President
HAMILTON F. KEAN
Kean, Taylor & Co.
EDWARD E. LOOMIS
President D. L. & W. Coal Co.
WILLIAM A. LAW
V. Pres. First National Bank of Philadelphia, Pa.
FRANK R. LAWRENCE
Counsellor-at-Law
WALDO H. MARSHALL
President American Locomotive Co.
JOHN RINGLING
Ringling Brothers
EDWARD SHEARSON
Shearson, Hammill Co.
HENRY F. SHOEMAKER
New York City
SANFORD H. STEELE
President General Chemical Co.
FRED'K D. UNDERWOOD
President Erie Railroad Co.
JOHN D. VERMEULE
President Goodyear Rubber Co.
GEO. C. WARNER
New York City
SAMUEL WEIL
Samuel Weil & Son
FRANK S. WITHERBEE
President Witherbee, Sherman & Co.
JOSEPH H. WRIGHT
President U. S. Finishing Co.

OFFICERS

LOUIS G. KAUFMAN, President
GEORGE M. HARD, Chairman
FRANK J. HEANEY, Vice-President
WILLIAM H. STRAWN, Vice-President
ALFRED M. BULL, Vice-President
BERT L. HASKINS, Cashier
HENRY L. CADMUS, Asst. Cashier
NORBORNE P. GATLING, Asst. Cashier
WALTER B. BOICE, Asst. Cashier
HENRY C. HOOLEY, Asst. Cashier

Capital and Surplus \$3,000,000.00

We invite the accounts of Banks, Bankers, Manufacturers, Merchants and Individuals



CAPITAL
\$2,000,000

SURPLUS
\$2,000,000

DEPOSITS
\$35,000,000

C. H. HUTTIG	• • • President	T. WRIGHT	• • Vice-President
G. W. GALBREATH	• Vice-President	R. S. HAWES	• • Vice-President
J. R. COOKE	• • • Cashier	H. HALL	• • Assistant Cashier
D'A. P. COOKE	• • Assistant Cashier	E. C. STUART	• • Assistant Cashier

TRAVELERS SHOULD CARRY

K. N. & K.

Letters of Credit and Travelers' Checks

Available Everywhere

Your own Banker can supply them

KNAUTH, NACHOD & KÜHNE, Bankers
NEW YORK
LIEPZIG, GERMANY

Lee, president of the Merchants-Laclede National, was chosen vice-president and W. B. Hoxton was re-elected manager. The committee on management is made up of Festus J. Wade, B. F. Edwards, N. A. McMillan, Edwards Whitaker, Walker Hill; Arbitration Committee, George T. Riddle, A. C. F. Meyer, A. O. Wilson, Breckinridge Jones and Nelson W. McLeod.

St. Louis Banker Ill

Julius S. Walsh, chairman of the board of the Mississippi Valley Trust Company, is ill with pneumonia at the Hotel Plaza, New York. The attack, it is said, is not a serious one, and his condition is by no means critical. Mr. Walsh was taken ill last week, and the physicians diagnosed his case as pneumonia in a mild form. His son, R. D. Walsh, who is with him, says that Mr. Walsh is improving, rapidly, but his father's age gives him some concern. Mr. Walsh is 69 years old.

GUARANTY TRUST OF NEW YORK

The annual meeting of the stockholders of the Guaranty Trust Company of New York was held January 17th, at the office of the company, 28 Nassau Street, and the following directors re-elected to serve for three years: Edmund C. Converse, T. DeWitt Cuyler, James B. Duke, Robert W. Goelet, Edwin Hawley, Alexander J. Hemphill, Augustus D. Juilliard, John R. Morron, William H. Porter, Thomas F. Ryan.

W. J. McFetridge, Jr., has been made vice-president of the Merriam Park State Bank, St. Paul, succeeding E. H. Cutter, resigned. A cashier to succeed Mr. McFetridge has not been chosen.

Guy L. V. Emerson

The well known ex-secretary of the Colorado Bankers Association, Guy L. V. Emerson, has been spending a large part of the winter in Chicago, living at 4422 Sheridan Road. He gave up his position as cashier of the Silverton National in Colorado to attend to some important interests in this city. Rumor has it that several banks here have been tempting him to go back into the business again. It would appear from all the circumstances of his former position and wide acquaintance in the western states that he would be a very effective man in the new business department of any well organized bank.

THE FALL OF TWO BANK CLERKS

"The story of the fall of two bank clerks, lately exploited in the daily press," says the Bank Man in an editorial, "is a sad one to hear. Yet, pitiful as are the circumstances surrounding this defalcation, they are no extenuation of the act itself. No man has the right to put himself into a situation from which dishonesty is likely to be the only means of extraction, if extraction, a leap from the frying pan into the fire could be called. First, it was matrimony on an inadequate income; next the loan shark for temporary relief, then embezzlement to escape the loan shark. A perfectly natural sequence. Matrimony and race-perpetuation may be a social duty, but it is not a duty that devolves on those who are strained to maintain their own existence. The cruelty and rapacity of the so-called loan sharks have been too often exposed to excuse resort to them. And it is so pitifully unnecessary. There are few employers

who would not relieve a clerk from such a position. If these fellows had been 'man' enough to go to their employer for aid they would have obtained it. Time and again have we been told this very thing by bank officers at our meetings. Only two months ago, Mr. Cooper, of the Guarantee Company of America, in all sincerity actually begged any bank clerk who was in just this kind of a muddle, to go to him, personally; and promised him his help. Of course these men did not have the advantage of being institute members and hearing this advice, but the deadly nature of the salary loan must have been known to them. A note with a loan shark spells destruction."

DRAINAGE WORK MAKING PROGRESS

Word comes from New Orleans that E. L. Chappuis announced at a banquet at the St. Charles hotel on Saturday night that he had completed entirely the financing of a project to drain, develop and settle with small farmers more than 50,000 acres of land in St. Bernard parish, all within twenty-five miles of Canal Street. The Frisco Railroad is interested in this section; the lands heretofore have belonged to the Alluvial City Land Company. Most of the money came from New Orleans and Chicago, owing to investigations made by Chicago bankers at the time of the A. B. A. convention. It was utterly amazing to them that thousands of acres of the richest land in the world could remain idle within twenty-five miles of one of the world's best markets. Work is to be commenced at once; word is being sent out to induce business men and manufacturers of all descriptions to come there to locate.

Editorial Comment

UNIFORM STATE BANKING LAWS

We have had country wide agitation for uniform divorce laws; for negotiable instruments; for bills of lading and for making uniform the innumerable subjects of legislation. Now comes the question of uniform state banking laws, so that instead of having forty-eight different laws as we have now, the country might have a uniformity with higher ultimate results, by revising and unifying the banking laws of all the states. There are many advanced thinkers who believe that this will be the natural outcome of the passage of the bill recommended by the National Monetary Commission and now before congress. That law will make certain requirements before state banks can participate in the benefits of the National Reserve Association. In short, state banks will be required to come up to a certain standard of excellence and certain standards in the way of publishing reports; certain reserve funds will have to be kept and specified audits and examinations must be made, whether these things are required by the state banking laws or not. Private and unsupervised and uninspected banks never can become beneficiaries under the new act; neither can they become depositories of the postal savings bank system. When all of these standard requirements shall have been complied with by the various state banks, there will no longer remain any good reason why the various states should not adopt a uniform state banking law. It would at once place state banks on a parity with national banks, and the public would then have notice that all state banks come up to certain requirements, just as do all national banks.

Very little change would be required in the banking laws of most of the states, where a recognized state banking department is maintained. In those states where no state banking department has been established by law, and in those states where no regular bank examinations are provided for, quick changes will be wrought. It would come to pass then that a bank in Arkansas or South Carolina would mean about the same as a bank in Minnesota or Pennsylvania. Illinois and Iowa would then be compelled to dress ship and to put on a more effective appearance, although the necessary changes would be technical rather than radical. Just as the standard required for membership in the National Reserve Association is, as a rule, higher than the standard now enforced in many of the states, the gradual voluntary raising of their own standard by the banks will tend to raise that required by the laws of these very states. In short, to repeat in another form, it is expected that the legislatures of the various states, with bank opposition removed, will want to raise the standard of state banking to compare fully and completely with the standard required by the National Reserve Association.

The Chicago Banker

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY
THREE OF ITS COMPETITORS COMBINED

GOVERNOR WILSON AND THE PRESS

To those who remember how expeditiously the administration at Washington and its subjective newspapers killed off Admiral Dewey as a prospective candidate for president in the very midst of his popularity, it will not come as much of a surprise that Governor Wilson has been attacked by opposing democratic newspapers, and by a considerable number of republican newspapers. He has been accused of ingratitude in requesting the Harper publication in New York to discontinue its custom of carrying his name in bold type at the top of its editorial column. It is commonly charged that "the interests" own and control the Harper publications. It was formerly understood in newspaper circles that William C. Whitney directed the publicity interests of "the interests," and that later the burden of that work was taken up by H. H. Rogers, who acted in that capacity until his death. From all over the country there came many inquiries as to whether or not Governor Wilson was simply the chosen candidate of Editor Harvey or whether he was the candidate of Wall Street and the big corporations. Having been asked frankly by Mr. Harvey whether he thought the support of "Harper's Weekly" was injuring his presidential possibilities, Governor Wilson just as frankly said that he thought it was. Governor Wilson went directly to the point, just as he did in the little episode about the Bryan letter, and has taken the public into his confidence as few public men ever have. There was no "break" or misunderstanding between Governor Wilson and Editor Harvey, but most likely the governor's advisers thought it best to have the public understand that he is not under the chaperonage of any man or any interest. The situation is quite simple, and when the facts are fully known, will help Governor Wilson's standing with the people at large.

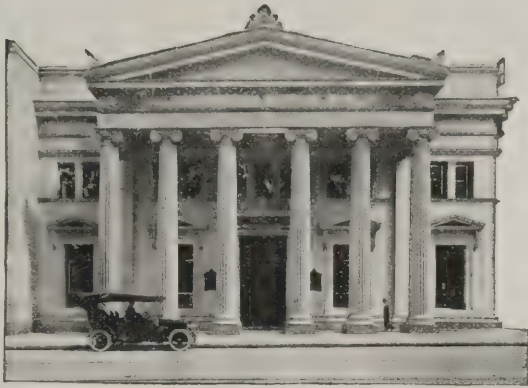
The opposing newspapers made a great deal out of a little letter, which Governor Wilson at one time wrote to Mr. Joline, in which he expressed the hope that some means would be discovered for "knocking Mr. Bryan into a cocked hat." Bryan was large enough to see the point, and went considerably out of his way to show his personal affection for Gov-

ernor Wilson at the Jackson day banquet at Washington. That really ended all there was to the Joline letter, except this: It seems that Mr. Joline ran on an opposition-to-Wilson ticket at Princeton for alumni president, and was overwhelmingly beaten. This was the small, mean reason he had for making public what for five or six years had been considered purely personal and private correspondence. When the full truth comes out about the withdrawal of Governor Wilson's name from the top of the editorial column in "Harper's Weekly," the credit will be with Wilson. While president of Princeton University, he made a long fight to dissolve the college clubs where none but rich men's sons were admitted, and never ceased to argue that personal worth should be the sole basis of a young man's standing in a college or a university. He never did believe in young men who are willing to devote only fifteen hours a week out of one hundred and sixty-eight to actual study. He refused millions of dollars of endowments to Princeton University because they were coupled with stipulations which did not agree with his idea of student democracy. He stood up above other college presidents, just as he now stands up above other state governors, and just as he will, if elected, loom far above the horizon in administrative circles at Washington.

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WHY THE TELLER STOLE

A little banking story comes from Topeka, Kan., which illustrates another of the reasons why bank tellers sometimes go wrong. Ward Speelman was a teller in the Merchants National. Less than three years ago he married a very estimable young lady living in a nearby town, and brought her to Topeka to live. It seems that he had always misrepresented his income to the young lady, so that both she and her friends believed him to be occupying a much more lucrative position than the one which he actually held. Speelman attempted to keep up the deception, and the wife lived extravagantly. She went about in taxicabs, purchased a new party dress for every evening engagement, gave away household supplies and furnishings which she did not like, and purchased others, so that she kept Speelman busy appropriating the cash of the various customers of the bank. The grandparents of the wife had given her a house as a wedding present. Speelman had mortgaged this, and rather than permit the mortgage to go unsatisfied, he promptly paid it off with a customer's check. This led to his discovery and undoing. He has been arrested and the wife will probably lose the property. It is said that not a bank cashier or a bank president in Topeka lives at anything like the expensive rate at which the Speelmans lived. They went regularly to theatres and gave din-



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ner parties at clubs; but now Speelman is in jail and the wife knows the whole story. If the matter could be written up graphically and presented to every young man who is drawing a salary less than the one which he thinks he ought to have, it might tend somewhat toward a different manner of living. Had young Speelman not deceived his wife in the first place as to his position, and she had married expecting to live on the income which he earned, they would both be happy and contented to-day.

COMBATS BANK MERGER DOCTRINE

To the Editor: You said in a recent editorial, in THE CHICAGO BANKER, that "There is a growing tendency toward consolidation, and, generally speaking, this is in the interest of better conditions." Many who are competent to judge believe otherwise. A prominent manufacturer who is a director of a leading national bank, which over a year ago had absorbed another national bank, recently said that he believed his bank would have been better off, or at least as well off, if it had not made the purchase. Are bank mergers desirable on general principles? I believe not. The following facts would seem to indicate why they are not desirable:

1. They are unjust to officials and employees. Men who have spent years of diligent, efficient service in banks are suddenly deprived of their positions through mergers. Others are reduced in rank. Capable officers are shorn of all authority, except to retain business and make certain credits. Employees in both institutions have their opportunities for advancement decreased. Result: Scores of able men, including officials, are made uneasy and discontented; discouragement, loss of enthusiasm and a desire to look elsewhere follow. Faithfulness, ability and efficiency count for but little in bank consolidations, as they are secondary in importance to reducing the pay-roll.

2. They are unjust to depositors. I have heard many of them express displeasure at having their deposits shifted as "pawns." They prefer to choose banking connections for themselves. They object to steam roller banking and do not approve of having their accounts arbitrarily bought up by strangers, as though the deposits were articles of merchandise. It deprives many depositors of the value of their years of acquaintance with officials. Depositors resent the idea of being told by others where they are to do business. One of the best depositors in a merged bank declined to continue relations with the buying bank, even when he had no specific objection

to the latter. He preferred to choose for himself, and did so.

3. They overload the absorbing bank. One bank of moderate size which has recently doubled its deposits by purchase, now has ten vice-presidents, with published rumors of more to come. This number is out of proportion to actual necessity. A bank five times its size in deposits has but six vice-presidents. And the largest bank in the country, with seven times the deposits, requires only seven vice-presidents.

4. They cause an enormous waste. To-day four splendid banking houses on La Salle Street and one on Dearborn Street are standing empty because of mergers. The choicest location of all, in the very heart of the financial district, has been idle for over a year. The absorbing banks are paying good rental for this unused space. This is an unnecessary waste.

5. They unnecessarily intensify competition. Every merger leads to a scattering of deposits and increases the keenness of competition. In a recent one an efficient officer who had spent years in the service of the purchased bank was ignored entirely. He at once accepted a proposition with a competing bank and was given the task of obtaining the largest possible portion of the selling bank's business. He is succeeding, too, having in a short time transferred a surprisingly large volume of business to his new employers. Notwithstanding his success, he expressed to the writr his belief that mergers should be prevented by law.

6. By many they are not considered legitimate means of growth. A merger is an abnormal relation, and should be the exception, not the rule.

These six considerations are facts, not fancies. Nor are they the last word.

Chicago.

BANK MAN.

The discount rates of the Bank of Bengal and the Bank of Bombay were each advanced from 6 per cent to 7 per cent.

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"WASHED AIR" FOR BANKS

Not so very long ago the president of a prosperous Chicago bank moved into a new building especially erected for the purposes of banking. A part of the outfit was a Sterling air cooler and purifier, made by Thomas & Smith, 116-8 N. Carpenter Street, Chicago. He is already an enthusiast about the new device. In summer it cools the air to within four degrees of the temperature of the water used; the air is also washed and freed from dust and impurities. In winter time it raises the temperature of the outside, fresh air to within a few degrees of the temperature of the water used. This bank president is so completely satisfied that he has assured his friends that he believes the "washed air" system will add ten years to the life of any bank president who is closely confined to his office. These air washing and ventilating systems made by Thomas & Smith have been installed in the principal hotels of Chicago, including the Blackstone, Congress, La Salle and Brevoort. The new Insurance Exchange, the Gas building, the new city hall, the Continental and Commercial National, Graham's Bank and the Majestic Theatre are all making daily use of this system. In New York it is in the principal hotels and office buildings and is used in the Congressional Library at Washington and in the new Bureau of American Republics. All of the strictly modern buildings in St. Louis are so equipped. All of the ventilation under this system goes directly into the building through a spray or sheet of water, which takes out all of the street dust and germs, and necessarily changes the temperature of the air, both summer and winter, to something near like the temperature of the water used. No strictly up-to-date building should be erected without including an air purifying system.

FOR STATE TREASURER

At the conference and banquet of the Illinois Bankers executive council on Wednesday, it was generally conceded that Andrew Russel would be the bankers' candidate for the office of state treasurer, which office he has already filled. Mr. Russel is ex-president of the state association, as well as ex-treasurer of the state, and his bank located at Jacksonville is one of the largest banks in southern Illinois. There were a number of other candidates mentioned for the position, but it was taken for granted by those who knew the most about the situation that Mr. Russel had a certainty of the nomination. Twice before he has demonstrated his popularity with the voters by carrying the state primaries.

The Farmers and Merchants State Bank of Columbus, S. D., has been incorporated.

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

NEWS OF CHICAGO CHAPTER, A. I. B.

By OTTO J. KRAMPIKOWSKY.

The debating society of Chicago Chapter conducted the meeting of Tuesday evening, January 23d, in the way of a "prize debate" as follows: "Resolved, That the passage of the proposed National Reserve Association act will be of more benefit to the general business of the country than will tariff revision." The affirmative side was taken by J. W. Gorby, Peoples Trust and Savings Bank; Bruce Baird, First National Bank, and Gustav Hake, Union Trust Company, while the negative side was taken by J. H. Ashley, Corn Exchange National Bank; W. G. Coggeshall, First National Bank, and O. J. Kuhn, First National Bank. The judges were Craig B. Hazelwood, Walter L. Johnson and Leigh Sargent. The question above mentioned is of great importance to the bankers to-day, and all of the participants in this debate showed that they had thoroughly studied and understood the proposition. After a lengthy debate the judges awarded the decision in favor of the affirmative side. Musical selections were then given by Walter Ebel of the First National Bank, and G. J. Whitlock, of the Continental and Commercial National Bank, which were very good and heartily applauded.

The eleventh annual banquet of the chapter will be given to-night at the red room of the Hotel La Salle, among whom will be some of the most prominent men of to-day, such as George M. Reynolds, president of the Continental and Commercial National Bank, who will be principal toast-master; Hon. Judge Marcus A. Kavanagh, and others. All arrangements have been so well taken care of that it is expected that all will spend a most enjoyable evening.

NEW PRESIDENT FOR BALTIMORE CHAPTER

Clifton K. Wells, who was in October elected president of the Baltimore Chapter of the American Institute of Banking, has resigned. At a meeting of the chapter held on January 18th, Robert Mooney, transit manager of the Citizens National Bank, was elected to succeed Mr. Wells. Mr. Wells has recently been promoted to the position of discount clerk of the First National Bank of Baltimore, and the increased demands upon his time made his resignation imperative. He is to be congratuated upon his promotion.

SAN FRANCISCO CHAPTER

A class in banking and finance, conducted by Wm. A. Day, president of the San Francisco Chapter of the American Institute of Banking, was begun last Wednesday at the chapter rooms after banking hours. The class is using as the basis of its work the lectures which are being delivered this winter before the Boston Chapter by Prof. O. W. M. Sprague of Harvard University. A course in law will be conducted by Robert W. Harrison, attorney, on Friday afternoons at 5:15.

The comptroller of the currency has approved applications to organize the Groos National Bank of San Antonio, Texas, capital \$250,000; and the First National Bank of Lacona, N. Y., capital \$25,000.

LECTURES BEFORE THE BRITISH IN- STITUTE OF BANKERS

London, January 15.—The first of a series of four lectures on "The Relations of Bankers with Partners and other Joint Persons," was delivered by A. Andrewes-Uthwatt, barrister-at-law, at the London Institution before the members of the Institute of Bankers. The lecturer dealt first with the general principles underlying the subject. He pointed out that the law relating to partnership was to be found in the Partnership Act, 1890, and the Limited Partnerships Act, 1907. These acts are by no means perfect, and many are the difficulties met with in partnership in its legal aspect. The Partnership Act permits the free association of persons, who desire to carry on business in partnership, whatever may be the nature of that business, and, with but few exceptions, whoever the persons may be. It is, however, important to remember that not more than ten persons may join together in partnership to carry on the business of banking, and not more than twenty in any other kind of business. If these numbers are exceeded, the partnership must be registered as a company under the Companies Acts.

There is no need to observe any formalities when creating a partnership; as between the partners themselves, they are able to make any agreement they may choose as to distribution of profits, liability of the partners one to another, etc. Any agreement, however, between the partners themselves in no way affects the outside world. This latter subject, the lecturer stated, would be dealt with by him in another lecture.

Partnership is defined as "the relation which subsists between persons carrying on a business in common with a view to profit." The partnership is known as a "firm," and the name under which it trades is called the "firm name." Commercial men are apt to look upon a firm in the same light as a lawyer looks upon a corporation. In law, however, a firm is not regarded as distinct from the members thereof. A partner may be the debtor or creditor of his co-partners, but not of the firm. By the common law of the country each partner is liable to the utmost farthing for the debts of his firm, and, if a creditor obtains judgment against the firm, execution may be issued against the property of any partner.

There have been various attempts made from time to time to limit a partner's liability, but, as already stated, no agreement between the partners themselves as to limitations of liability affects outsiders, unless it has been expressly stipulated with the creditor at the time of the transaction that there is such an agreement; e. g., an agreement that in the event of default, the creditor must look to the assets of the firm, and not to the property of the individual members. This liability of partners to the firm's creditors attaches to every member of the firm, whether such member be in fact, or is only believed to be a member. If a person, who is not actually a partner, so conducts himself as to lead people to believe that he is a partner, he is liable as if he were actually a partner. Section 14 of the Partnership Act states that "every person, who by words spoken or written or by conduct represents himself, or knowingly suffers himself to be represented, as a partner in a particular firm, is liable as a partner to

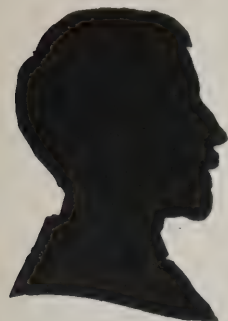
anyone, who has on the faith of any such representation given credit to the firm, whether the representation has or has not been made or communicated to the person so giving credit by or with the knowledge of the apparent partner making the representation or suffering it to be made."

The liability of partners in England is a joint one, and not joint and several. Section 9 of the Partnership Act, 1890, is as follows: "Every partner in a firm is liable jointly with the other partners, and in Scotland severally also, for all debts and obligations of the firm incurred while he is a partner, and after his death his estate is also severally liable in due course of administration for such debts and obligations, so far as they remain unsatisfied, but subject in England or Ireland to the prior payment of his separate debts." The net result of this joint liability is that a creditor must bring an action against the firm before he can issue execution against the property of the individual partners. If the creditor obtains judgment against one or some, but not all the partners, he can only issue judgment against the particular partner or partners proceeded against. If the debt cannot then be satisfied, his cause of action against the remaining partners is gone, for the other partners are freed from liability.

With regard to the power of one partner to bind the firm, it is to be noted that each partner is the agent of the other partners. If all the partners decide upon a particular transaction, this question will not, of course, arise; but it is the root idea of law that, as between a partner in a firm, and the outside world, he is the unlimited agent of the firm. By section 5 of the Partnership Act "every partner is an agent of the firm, and his other partners for the purpose of the business of the partnership; and the acts of every partner who does any act for carrying on in the usual way business of the kind carried on by the firm of which he is a member, bind the firm and his partners unless the partner so acting has in fact no authority to act for the firm in the particular matter, and the person with whom he is dealing, either knows that he has no authority, or does not know or believe him to be a partner."

The transactions in which bankers are mainly concerned in their dealings with partners relate chiefly to negotiable instruments, and borrowing. In this connection, however, it is necessary to distinguish between the powers of partners in "trading" and "non-trading" firms. In a trading partnership, a partner may borrow money, draw bills or notes, etc., in the name of and on account of the firm, while in non-trading partnership the partners have no such authority. Professional partnerships, such as solicitors, physicians, mining engineers, auctioneers, etc., may be cited as examples of what are called non-trading partnerships. In these latter cases, one partner has no implied authority to bind his co-partners by bills or notes.

Assuming that the act done is within the apparent power of the partner, a person with whom he deals is under no obligation to enquire whether he is acting honestly, unless he has actual knowledge that the partner is abusing his position, in which case he would have no recourse against the firm. But a holder for value of a bill wrongfully dealt with



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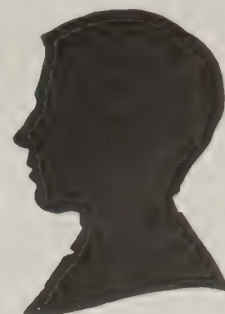
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by a partner, without notice of the fraud, could sue the firm successfully.

With regard to deeds, i. e., documents under seal, one partner cannot bind the firm by executing such a document. That partner himself will be liable, but not the firm. If the document is merely an instrument in writing, the firm would be liable. A partner may, however, be expressly authorized by his co-partners to execute a deed under seal, but he must be constituted their agent in this respect by a separate deed under seal. Moreover, he should execute the deed in the firm name only and not in his own.

With regard to negotiable instruments, no person whose name is not on a bill or note is liable upon that bill or note. Therefore, as the signature of the firm is the signature of all the partners, to render the firm liable the bill or note must bear the signature of the firm and not of a partner. In the event of dishonor of a bill or note, it is not necessary to give notice to all the partners. Under section 16 of the act, "notice to any partner, who habitually acts in the partnership business of any matter relating to partnership affairs operates as notice to the firm, except in the case of a fraud on the firm committed by or with the consent of that partner."

In connection with the delegation of authority, the lecturer mentioned that it was a rule of law that a person who is himself an agent cannot delegate his authority as such to a third party. Under this rule a partner cannot delegate his authority to a third party; e. g., he cannot empower a clerk to draw checks on the firm's account. A banker would not be in order if he paid checks so drawn. Such an authority must be given in writing by all the partners.

With regard to the determination of the authority of a partner to bind his firm, there are four cases where the power is determined. Firstly, on the retirement of a partner. In this case outsiders are not affected by the mere fact of retirement, unless they have received due notice of his retirement. What constituted due notice would be dealt with by the lecturer later. Secondly, when a partner becomes bankrupt his authority is deemed to have been determined from the date of his bankruptcy, with the result that a banker may not safely deal with a partner if he has notice or knowledge of an available act of bankruptcy. Thirdly, by the death of a partner; but in this, as in the previous cases, the authority of the continuing or surviving partners continues, although the power of the other is determined. Fourthly, by the express revocation of the firm. This is under the well-known rule that a principal can always revoke the authority of his agent. There appears to be some doubt whether one partner can revoke the authority of another, but the lecturer considered that at any rate a majority of the partners may revoke the authority of one of their number.

With regard to loans of money made through the agency of a partner on account of the firm, without the authority of the firm,

if it can be shown that such a loan was not for the purposes of the partnership business, the firm would not be liable unless the banker can bring the transaction within the equitable doctrine of subrogation. For instance, if a partner borrows money from the bank without the authority of his co-partners, and applies the money in paying off the debts of the firm, the banker is in equity entitled to recover from the firm the amount of the loan, which has been so applied.

Second Lecture

The second lecture was delivered by Mr. Andrewes-Uthwatt. The lecturer dealt with the application of the general principles of partnership law to banking transactions. When opening an account for a partnership, the banker would want to know who are the partners, the name of the firm, and what signatures he is to recognize. In the event of overdrafts being allowed, it is as well for the banker, when taking the instructions of all the partners, to make them severally as well as jointly liable. When the banker has been unable to obtain the instructions of all the partners, it is well to remember that the representation of a partner "in the ordinary course of business" binds his firm. Assuming that a banker is dealing with one partner, can that partner open an account on behalf of the firm? He may do so, if the account is in the firm's name. Then, again, when a bank amalgamates with another bank, can a partner assent to the banker transferring the account to the new institution? In the opinion of the lecturer the banker would be justified in acting upon the authority of one partner in such circumstances. With regard to checks, each partner has, apart from any instructions to

the contrary, implied authority to sign checks in the firm's name. Of course, if there are express instructions relative to the signing of checks, they must be adhered to. For instance, if the banker is only authorized by the firm to honor checks signed by one partner, and initialled by another, the banker would not be in order in paying checks not signed in that way. If there are no such instructions, the banker is in no way concerned with the purpose to which checks drawn by one partner are applied. As regards countermand of payment, one partner may stop payment of a check drawn by the firm, whether signed by himself or by another partner. If a partner dies, does notice of his death revoke the authority given to the banker to pay the firm's checks? On this point the lecturer stated that his view differed from that held by bankers. Any change in the constitution of a firm brings the old firm to an end, although it may bring a new firm into existence, and the authority to an agent is ipso facto determined. A banker is merely an agent of the firm. He would be protected until he had in fact received notice of the change in the firm. But having received notice of the death of the partner, which, in the opinion of the lecturer, changed the constitution of the firm, he could not properly pay the checks, no matter by which partner they might be drawn. The surviving or continuing partners may continue the account if they think fit, but the banker should safeguard himself by obtaining fresh instructions from the continuing partners. As to past-dated checks, and the authority of a partner to draw such checks, the courts put such an act on the part of a partner on the same footing as borrowing money. As explained in the first lecture, a partner in a "trading" firm has the implied authority of his firm to borrow money on account of the firm, but a partner in a "non-trading" firm has no such implied authority. As regards endorsement of checks, bill or notes, every partner has authority to endorse, but the proper endorsement is to write merely the name of the firm. There is no need to sign "per pro."

The lecturer dealt next with the collection of checks by a banker. If a member of a partnership firm pays a crossed check endorsed by the firm into his private account, and the banker collects the check, crediting that partner's account with the amount, and it is found that the partner has misappropriated the money, is the banker protected under section 82 of the Bills of Exchange Act? That section limits the protection of the banker to those cases where he has received payment for his customer "in good faith and without negligence." It is a question of fact whether the banker has acted in good faith, and without negligence, and it hence depends upon the circumstances of the case. Of course, if the banker did not know the customer was a partner, he might be said to have acted negligently; but if he knew that the customer was

(Continued on page 28)

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

The brightening skies throughout the Central West during the past week caused a distinct revival of business of all kinds, and bankers report distinctly improved conditions. "It has been many years since crops were in such good shape at this time of the year, as reports indicate," said President J. R. Dominick of the Traders National Bank of Kansas City to the correspondent of THE CHICAGO BANKER. "Wheat in every state from the Canadian line to the gulf has had plenty of moisture and, unless unexpected freezes come, the crop will enter the spring season in promising shape. The various reports of cattle dying from exposure and inability to get at the forage have been greatly exaggerated. Of course there were some losses but not more than usual for this time of the year I am convinced. Deposits in banking centers continue to improve with a normal demand for loans at satisfactory rates. I believe that the banking business in this part of the country is in better shape now than at any time since 1907."

Many reports of small business failures have come in from all parts of the Central West during the past ten days, but the aggregate losses will be small. Some of these failures are auction jewelry houses and there is reasonable ground for suspecting the legitimacy of some of the bankruptcy proceedings. As a rule business is on a sound basis as reported by bankers.

State Banks Owned by Families

State banks throughout the Central West are becoming family affairs and close corporations. Since the first of the year scores of state banks in this territory have reduced the number of directors and filed amendments to state charters. "We have no means of knowing just who will be the new directors of these banks," said Charles Sessions, secretary of state of Kansas, "but from information we can obtain some of the banks are now owned by families entirely. When the banks were organized the promoters scattered the stock as much as possible and then when the banks began making big dividends a few stockholders began buying up all the stock. Members of the same family or two families buy up all the stock and own the entire institution. Most of the bank charter amendments decrease the directors from eight to five and only a very few increase the number of directors."

Prof. Laughlin Speaks at Kansas City Bankers Club Dinner

Kansas City bankers, and especially the younger set, have taken a keen interest in the controversy now going on over the origin and proprietorship of the famous song, "Quit Kickin' My Dog Around." This song has been sung at all group meetings of Missouri bankers for the past year and was presented officially to Kansas City last Tuesday night at a dinner of the Kansas City Bankers Club. The feature of the dinner was an address by Professor J. Laurence Laughlin, chairman of

the executive committee of the National Citizens League and professor of political economy in Chicago University. He outlined the Aldrich currency plan with all of the proposed amendments. It was after this address that the grand chorus of bankers sang the "Dog Song," directed by C. G. Hutcheson, of the First National Bank, and assisted by T. F. Brady of the Commerce Trust Company. The chief "wailers" were: Fred A. Bracken, Kansas City, Kan.; C. L. Brokaw, Kansas City, Kan.; C. N. Prouty, Kansas City, Kan.; Lapier Williams, Kansas City, Kan.; G. S. Smith and J. D. Wright, Kansas City, Kan.; J. L. Johnston, D. M. Pinkerton, W. L. Buechle, G. G. Gray, George S. Hovey, W. F. Lacaff, C. W. Allendorf, Carter Wilder, the southwestern banker, and Stanley Young, of Arthur Young & Co., accountants.

Origin of "Dog Song"

The "Dog Song" has been claimed by many states but after much investigation the Kansas City bankers have concluded that this is its true origin: During the bankers' meetings down in the Ozark mountains of Missouri last fall the chorus, and that only, was heard on the streets of West Plains, Howell county, by T. F. Brady of the Commerce Trust Company, Kansas City. "We brought it home with us," said Mr. Brady, "and introduced it at group meetings all over the state. The St. Louis crowd took it home with them. After that, on the way to the national convention in New Orleans C. G. Hutcheson and a crowd went through the special train singing it and then everybody got the habit." At the dinner of the Kansas City Bankers Club the "Dog Song" was printed with the music and placed at every plate. A picture of a pup adorned the menu. The words of the official financial song of the Southwest are here given:

Wunst me 'n Lem Briggs 'n ole Bill Brown
Tuk a load of cawn to town;
An' ol' Jim—dawg, the onery kuss—
He jes natchelly follered us.

Chorus.

Every time I come to town,
The boys keep a-kickin' my dawg aroun';
Makes no difference if he is a houn',
They gotta quit kickin' my dawg aroun'.

As we driv' past Sam Johnson's sto',
Passel o' yapes kem out the do';
When Jim he stops to smell a box,
They shied at him a bunch o' rocks.

They tied a tin can on his tail,
An' run him a-past the county jail.
'N' that plumb natchelly makes me sore—
'N' Lem he cussed 'n' Bill he swore.

Me 'n Lem Briggs 'n' ol' Bill Brown,
We lost no time in a-jumpin' down,
An' we wiped them ducks up on th' groun'
Fer kickin' my ol' dawg aroun'.

Folks say a dawg kain't hold no grudge,
But wunst when I got too much budge,

Them town ducks tried to do me up,
But they didn't count on ol' Jim—pup.

Jim seed his duty thar an' then,
An' he lit into them gentlemen,
An' he shore mussed up th' cote house square,
With rags 'n' meat 'n' hide 'n' hair.

St. Joseph Credit Men's Association Entertain Bankers

More than one hundred bankers and business men were guests of the St. Joseph Credit Men's Association, of St. Joseph, Mo., Friday evening, January 19th. The principal event of the open meeting was an address by Thornton Cooke, vice-president and treasurer of the Fidelity Trust Company of Kansas City, on the Aldrich currency plan. Mr. Cooke has made a careful study of currency reform and has delivered many lectures on the subject throughout the Central West. He went into the plan in detail before the St. Joseph bankers and business men and after the address invited questions, which were not slow in forthcoming. The address was very instructive and many who heard it expressed their friendliness for the plan which hitherto they had opposed because of lack of a thorough understanding of its scope and purposes. Mr. Cooke also urged his hearers to join the National Citizens League of Chicago so as to receive frequent bulletins concerning the reserve plan and its progress.

Appoint Secretary to Aid in Campaign

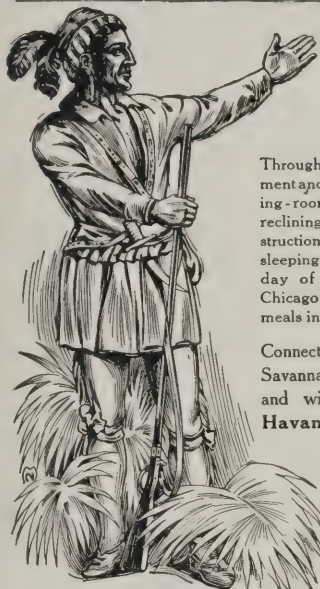
The Omaha Clearing House Association has appointed the secretary, W. B. Hughes, and members of the executive committee, to co-operate with the publicity bureau of the Omaha Commercial Club in its campaign for the testing of seed corn for Nebraska farmers. Through the more than 900 banks in Nebraska the bureau will call attention to the critical situation as regards seed corn. It will send to these banks pamphlets stating the situation, and posters urging the testing of corn seed and bearing instructions for home testing. Unless some adequate action is taken, according to agricultural authorities, Nebraska will face a serious loss in its corn crop. The corn seed has been found faulty and tests very low in germinating qualities. Last year the corn crop of Nebraska amounted to something over \$85,000,000 and a ten per cent reduction would be a serious matter.

State Department of National Citizens League Organized

Bankers and business men of prominence in Kansas have organized a state department of the National Citizens League for the promotion of a sound banking system. The officers of the Kansas association are: C. M. Harger of Abilene, president; and the following vice-presidents: Chancellor Frank Strong, of the University of Kansas; Ex-Governor W. J. Bailey, of Atchison; E. R. Moses, of Great Bend; S. F. Wooldard, of Wichita; B. J. Sheridan, of Paola; J. D. Rafferty, of Winfield; G. E.



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Central of Georgia	
Ar Columbus	9:00 pm
Ar Savannah	7:30 am
Ar Albany	1:00 am
Atlantic Coast Line	
Ar Jacksonville	7:00 am

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Over a perfect road-bed—passing through no large cities with their noisy, busy stations to jar your rest—Night travel to St. Louis on the

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is as peaceful as your slumber in your own home could be. Three splendid trains daily leave La Salle Street Station—the only one in the loop—at 11:35 a. m., 9:10 p. m. and 11:40 p. m.

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Tucker, of Eureka; James A. Kimball, of Salina; C. W. Landis, of Osborne; W. Y. Morgan, of Hutchinson, and Charles W. Smyth, of Wichita. W. A. L. Thompson, of Topeka, is state vice-president to represent his colleagues at national meetings in Chicago.

Capitol Bonds Still Unsold

For several months the Missouri capitol commission has been trying to dispose of the \$3,500,000 in 3½ per cent bonds voted by the people of the state for a new state house. The promoters of the bond issue did not dream that the least difficulty would be experienced in selling these bonds at par but it is now conceded that the securities are practically unsalable unless some inducement is offered to purchasers. In a financial suit that has been appealed to the Missouri supreme court it is sought to establish the right of the commissioners to offer commissions that would bring the return of the bonds to 4 per cent. These bonds are taxable and would net a very small return without the commission as an extra inducement to investors. An opinion from the supreme court is expected within a very short time.

No Shortage Discovered in Books

Ward Speelman, a teller of the Merchants National Bank of Topeka, has been arrested charged with having appropriated approximately \$9,000 of the bank's funds. He waived preliminary examination and was remanded to jail in default of \$5,000 bond. Speelman is 27 years old and has been very prominent in the younger social set of Topeka, in which he and his wife were favorites. It is said that Speelman's social ambitions caused him to live far beyond his income and that he stole systematically throughout a period of more than two years. A peculiar feature of the case

is that a bank examiner made a special inspection of Speelman's books and found no shortage. Later the officers of the bank made a second examination with similar result. It is said that it was because Speelman used a customer's check for \$1,500 to pay off a mortgage on his house that led to his detection.

American Union Trust Company

The prospects of reorganizing the American Union Trust Company of Kansas City, which failed several yeeks ago as a result of taking over the All Night and Day Bank, are not brightening. Various reports have been in circulation regarding the possibility of eastern financiers taking over the assets of the institution and reopening it, but thus far nothing of this kind has been done. The Missouri banking department has announced that it has not abandoned hope of paying off all depositors in full, but the depositors are not as hopeful. The criminal authorities have more than hinted that there will be three and probably more arrests in connection with the failure of the American Union Trust Company growing out of alleged irregular loans made by the company and also on charges that officers of the company received deposits when they knew the institution to be in a failing condition. The escape from detention of Henry W. Richardson, former president of the trust company and vice-president of the All Night and Day Bank, which the American Union Trust Company absorbed last July, led to a conference of the prosecuting attorney with the Kansas City chief of police. As a result it is said that the W. J. Burns Detective Agency will be asked to keep track of Richardson, who was recently arrested in Memphis, Tenn., on instructions by the Kansas City chief of police but later was released on a writ of habeas corpus.

Central West Notes

Texas state banks have been pushing the crusade against overdrafts, and the state banking commissioner urged this action until the attorney-general ruled that an organized attempt to get all of the banks to comply with this suggestion would be a violation of the anti-trust laws of Texas. Now it is proposed to have the attorney-general bring suit to test the case and if the opinion is upheld overdrafts will continue in Texas.

J. B. Sneed, the banker and ranchman of Amarillo, Texas, has been indicted for first degree murder and his trial is set for January 29th. Sneed shot and killed A. G. Boyce in a Fort Worth hotel. Boyce was the father of the young man who eloped with Sneed's wife a month ago. Young Boyce is still somewhere in Canada.

William W. Stover, for many years a banker of Republic, Kan., died last week in Ramona, California.

R. H. Haselett, president of the El Dorado National Bank of El Dorado, Kan., was recently elected president of the American Royal Live Stock Association. Mr. Haselett is widely known as a breeder of Hereford cattle and is a live stock enthusiast.

A. Newman, a banker of Logan, Kan., has been appointed a national bank examiner for the district of western Kansas. He has disposed of his banking interests in Logan.

The State Bank of Duenweg, Mo., has been organized and will be opened February 1st. This is a mining town four miles east of Joplin.

F. D. Lowrey, president of the First State Bank of Larned, Kan., has received a "black

(Continued on page 25)

The Security National Bank of Minneapolis

Was Established in 1878

A continuous business experience of thirty-three years has given us a thorough knowledge of the banking needs of the Northwest, thereby enabling us to give your business intelligent and satisfactory attention.

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VIA THE



NEW ALL-STEEL TRAIN DAYLIGHT SPECIAL

Leaves Chicago 10:02 a. m., arrives St. Louis (via Merchants Bridge) 6:02 p. m. New Indestructible Steel Cars of Handsome Interior Finish. Every comfort and convenience will be found on this train.

NEW EVENING TRAIN ST. LOUIS EXPRESS

Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m. An up-to-date train in every particular, with an early evening departure from Chicago.

New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped throughout, with a late evening departure from Chicago. Stops made in both directions at South Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars, Sleeping Cars. Free Reclining Chair Cars and Coaches.

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Slight illness interfered with the speaking campaign in Minnesota, of R. W. Bonyne, former member of the monetary commission. He was able to get about, but disliked to leave the Hotel Saint Paul. He reports pleasure at the way Minnesota business men are taking hold of the currency plan idea. He cannot see special alarm at Congressman Lindbergh's position.

"Up to date," he said, "we have been able to keep politics out of the consideration of this question. It is a purely economic subject, and one that should be kept decidedly apart from any political consideration. Practically all the short-comings of our present currency system which Mr. Lindbergh points out we admit, and suggest a feasible remedy."

F. E. Holton Resigns as Cashier Northwestern National

F. E. Holton has resigned as cashier of the Northwestern National Bank, after being in the employ of the institution since 1882. He will be secretary and treasurer of the Danaher-Holton Company, capital \$500,000 (\$200,000 paid in), which opens offices February 10th. A successor to Mr. Holton will be chosen from the bank. The new company will do a business in general land and farm mortgages, bonds and securities. F. E. Kenaston, president of the South Side State Bank, President E. J. Weiser of the Fargo First National, and President C. J. Weiser of the Winneshiek County Bank, Decorah, Iowa, are the bankers on the board. T. F. Danaher, extensive operator in lands, will be president. D. C. Warden, for years with a large mercantile house, is to be vice-president in charge of mortgage loans.

Mr. Holton is treasurer of the Commercial Club, and was a director; president of the Association of Credit Men two years, three years member of the executive council of the Minnesota Bankers Association, and several years secretary of the protective committee. In 1900 Mr. Holton left the Northwestern to be-

come cashier of the Metropolitan and returned when it was absorbed in March, 1901, as assistant cashier. In 1908 he was made cashier.

Savings Deposits in St. Paul

Savings bank deposits are looking up in St. Paul, the report is. The first eighteen days in January \$67,191 more money was deposited in savings banks than the same period last year. The Twin City State displayed a gain of \$25,501, and the Ramsey County State an increase of \$15,698. Other gains range from \$1,000 to \$10,000. Majority of patrons are found to be women, especially downtown.

Market State Bank

At the close of its first year of business, the Market State Bank, has declared a 10 per cent dividend. The directors have passed \$5,000 to the surplus fund. H. E. Patterson has been elected assistant cashier. Other officers and fifteen directors have been re-elected. The remaining officers are: President, Adam Hannah; vice-president, Henry Bachman and N. H. Reeves; cashier, P. F. Ochu. The bank's capital is \$25,000. As a result of the very successful year in 1911 the Union State doubled its surplus fund. The bank's profits since July were \$10,587, of which the even \$10,000 was put to surplus, and no dividend was declared.

St. Paul Stock Exchange Dinner

Co-operation between St. Paul banks and the stock exchange is expected from a recent dinner at the best St. Paul café, at which President A. M. Peabody of the exchange presided. The talks were informal. Attention was called to the fact that the exchange is a year old and doing an increasing business.

Cook's Dog Gets Blue Ribbon

Having stretched his pet dog thirty-eight inches in length and thereby lessening its height to eight inches, Cashier S. S. Cook, of the Minnesota Loan and Trust Company, managed to get a silver loving-cup and a

blue ribbon at the recent Minneapolis kennel show. The dog is named Doxie, and he is a gent. He is also brown in color, and as he now stands is called a dachshund. Except in the form of linked sausage Mr. Cook believes the dog has reached his limit.

North Dakota Banks

In state and national banks of North Dakota in the last quarter of 1911 deposits increased \$10,384,929. In 568 state banks the increase was \$6,156,637, and in 147 national banks \$4,389,315. Total resources at the end of the year in all banks were \$100,176,965.

The increase in the deposits subject to check in the state banks was \$6,285,613.58, while the increase in national banks was \$4,273,338.52. Demand certificate deposits in national banks increased \$151,339.99, while demand certificates in state banks increased \$170,995.58. Savings deposits in state banks increased \$105,650.47. Time certificate deposits were decreased in both state and national banks, the state banks losing \$289,672.33, while national banks lost \$55,691.10.

The total deposits in state banks was \$38,720,937.83, while the total deposits in national banks was \$28,492,819.21, bringing up the total deposits to \$67,213,757.04.

Increased Capital

Increase in working capital of the Equitable Loan Association, Minneapolis, from \$38,636 to \$50,000 has been authorized after twenty-one months' trial of the anti-loan shark institution backed by leading business men. Vice-President N. F. Hawley, who is treasurer of the Farmers and Mechanics Savings, says that in 1911 the Equitable made 1,023 loans amounting to \$80,000 with \$67.38 loss. Few applications were refused. The company plans a pawn shop. Drop of the interest rate from 10 per cent is possible.

Meade County Bank of Sturgis, S. D.

Suspension for having below legal reserve is expected to be overcome in less than time

Increased Deposits with Publicity—With Little Cost!

Your Bank the Bank of the Community

"The Christmas Savings Club Plan"

☞ A positive means of increasing your **Deposits**; cultivating the systematic **Banking Habit**. Interests the community in your **Bank**. \$135,000.00 saved in the initial year in one community by using our "**Christmas Savings Club Plan**." Inexpensive, all efficient, and with profit. We sell but one **live Bank** in a community. Absolutely no solicitors required.

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President, Commercial Bank.
HARRY W. DAVIS,
HARRY HERTZLER,
President, Carlisle Trust Company.

HARRY D. JONES,
Cashier, Pennsylvania State Treasury Department.
MERKEL LANDIS,
Treasurer, Carlisle Trust Company.
GEO. O. MOTTER,
Cashier, Peoples' National Bank.

allowed by the Meade County Bank of Sturgis, S. D. The bank began business January 15, 1897 with \$20,000 capital. Out of earnings the capital was raised to \$50,000, beside \$61,000 in dividends and something like \$30,000 profit and surplus and uncollected interest. Inability to collect from borrowers on account of poor crops for two years, coupled with absence of troops from Fort Meade, made the trouble. It is said the officers are not blamed for the condition.

Banking Notes

W. B. Geery, vice-president of the Capital National, has been re-elected treasurer of the St. Paul Commercial Club. President Louis Betz, who is treasurer of the State Savings Bank, has gone to Cincinnati to talk about St. Paul.

George F. Orde, vice-president of the First National, has been made governor for the Minneapolis Club.

The Farmers and Merchants State of Strandquist, Minn., has been chartered with \$10,000 capital. R. G. Tweetson is president and O. H. Lygaard is cashier.

George E. Dutton of Sycamore, Ill., one of the founders and largest stockholders, attended the annual meeting of the Citizens State of Tracy, Minn. A successful year was reported.

A complimentary dinner was given to Cashier E. L. Mattson of the Scandinavian-American at his resignation as assistant cashier of the Northwestern National. He was given a gold ring set with a sapphire.

Alderman Josiah H. Chase has resigned as cashier of the St. Anthony Falls Bank to take up law practice.

President F. E. Kenaston and Vice-President F. M. Prince, both Minneapolis bankers, have disposed of their interests in the Northwest Thresher Company, it is reported from Stillwater, Minn. C. W. Folds of Chicago was the representative of the eastern money. He is a director and new president. The output has been increased.

The Security State of Melrose is a new Minnesota bank with \$100,000 capital. Incorporators are John Borgerding, John Kolb, John H. Welle and Mike Kleber. This bank was a national.

The case of the state versus H. J. Schwartz, cashier of the defunct state bank of Royalton, Minn., is on at Little Falls. He is charged with taking deposits when the bank was insolvent.

Forty-five bankers were at a banquet last week, given by A. D. Stephens of Crookston, himself a well-known banker. Politics was

tabooed, although Mr. Stephens was toastmaster, and has had aspirations. Unity in republican ranks was sought, nevertheless, it is said by the event. Norman Rosholt of Chicago was there.

G. R. Whitney, president of the First National of Wadena, Minn., has been made a director in the State Institution for Savings, Minneapolis. I. A. Yarnell was re-elected secretary.

Jacob A. Kunze, assistant cashier of the German-American Bank, rose to his new position in ten years from messenger boy. "Do what you are called upon to do, and then do a little more," was Mr. Kunze's watchword.

Indiana

Kokomo, Ind., January 22.—At a meeting of the directors and officers of the Kokomo National Bank, final steps were taken for merging the bank and the Duke Brothers & Co., real estate and loan concern, one of the oldest in Indiana, to be hereafter known as the Farmers Trust and Savings Bank. The new institution begins business technically January 29th. E. A. Simmons was chosen president; G. W. Duke, first vice-president; W. H. Arnold, second vice-president; W. W. Drinkwater, treasurer; Ernest Seward, cashier, and Charles Shewman, secretary.

The rather surprising news from Akron is that there is to be a new bank opened there within the next ten days. The capital stock is \$25,000 and has all been taken, while a state charter has also been secured. A Mr. Brown, of Monticello, is to be president of the new concern; Linc. Lukens, of Disko, vice-presi-

dent, and John McCullough, cashier. The exact location for the home of the new bank has not been selected or at least made public, but it is said several buildings have been under consideration. With this new institution, most of whose stockholders are new in the banking circles of Akron and vicinity, the town will once more be well supplied as before the consolidation into the Akron Exchange Bank.

OREGON BANKERS TO AIR FARMING

Oregon bankers have started a movement that has for its purpose the introduction of a course of agricultural instruction in the public schools. The financiers believe this will bring about a real back-to-the-soil movement, for it will give the town boy, with a liking for agriculture, an opportunity to learn how to farm, while at the same time it will have a tendency to keep the farm boy on the land. The sole object of the bankers is to make farm life more attractive by showing the producer how to improve and increase his profit. It is believed this cannot help but increase the ranks of the producers by thinning those of the overcrowded army of consumers in the cities.

GUENTHER'S HUSTLER

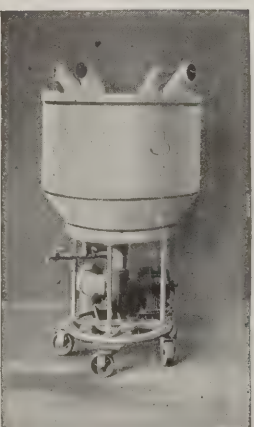
Rudolph Guenther, specialist in financial advertising, 115 Broadway, New York, has begun to publish "Guenther's Hustler," a little booklet for financial advertisers. It comes free, and Vol. I, No. 1, is a dandy. You can get on the list with a postal.

CHICAGO CHAPTER BANQUET

On January 27th the chapter will give its classic entertainment, its one real social event of the year—The Annual Banquet. Whatever have been the vicissitudes of its existence in past years the chapter has never allowed them to interfere in the slightest detail with making the banquet the gala event of the season. This year's banquet will be no exception to the rule. Men of the highest standing in the financial, the educational and the political life of the country have promised their attendance, and their voice. The Red Room of the Hotel LaSalle has been engaged as the place, and all details have been arranged with thoroughness and care. This is an affair that no member of the chapter can miss without loss to himself, and while the attendance promises to exceed that of former years, it is hoped that no chapter member will deny himself the pleasure of attending.

EDWARD J. PRESCOTT

Edward J. Prescott, secretary of the Chicago Savings Bank and Trust Company, has been at home ill for the past ten days.



**A Clean, Cool Bank
Supplied with
Washed Air**
from the
**Sterling Air Cooler
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Gives the classy atmosphere and dignity necessary to harmonize with the architectural surroundings.

We have designed a self-contained portable air cooler and washer in capacities from 200-2000 C. F. M., mounted on rubber shod wheels, and of attractive appearance, to allow of operation in the main banking room.

Apparatus shipped complete including fan, motor (10-1.0 H. P.), washing chamber and auxiliaries, ready for operation, you to make service connections only.

Apparatus provided with outlet nozzles to throw air in all directions, thus eliminating duct work, etc.

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SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

R. V. ANKENY, Cashier
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Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

Pacific Northwest Banking News

Spokane, January 23.—Edwin T. Coman, president of the Exchange National Bank, said in his address at the annual meeting of the Spokane chamber of commerce in Masonic Temple the evening of January 16th that 1912 gives every promise of being a prosperous one for Spokane and the Inland Empire. Labor is abundantly employed, he added, and a revival in the lumber industry is now indicated; the mines are contributing more wealth than ever and with a favorable crop outlook this year should be one of advancement in all lines of endeavor. Mr. Coman spoke of improvements and betterments, involving more than \$10,000,000 to be made by the railroads, private investors and the municipality this year. Mayor William J. Hindley announced that the Northern Pacific Railway Company will build a \$500,000 station in conjunction with its grade separation, to cost more than \$3,000,000, saying also that plans for several important structures are now before the authorities. The work of the chamber of commerce cost \$73,346 in 1911, when the receipts from all sources were \$74,722.

Promotions at the Union Trust

James C. Cunningham, for years secretary-treasurer of the Union Trust Company of Spokane, has become vice-president and manager of the institution. J. E. Ferris, manager of the bond department and assistant secretary, was elected to the directorate to fill the vacancy caused by the death of Thomas Greenough last year. The other directors are: D. W. Twohy, F. A. Blackwell, D. C. Corbin, James Monaghan, John A. Finch, Fred B. Grinnell; D. K. McDonald, J. P. McGoldrick, W. J. C. Wakefield, W. J. Kommers, J. D. Porter, D. M. Drumheller, T. J. Humbird, George S. Brooke, R. B. Paterson, Jay P. Graves, E. J. Roberts, A. L. Flewelling and James C. Cunningham. The executive committee is composed of D. W. Twohy, president; W. J. C. Wakefield, vice-president; F. B. Grinnell, James C. Cunningham, and W. J. Kommers, cashier. F. C. Paine became secretary and J. E. Ferris was elected treasurer. W. G. Hall was elected assistant secretary. The institution, which has devoted its attention particularly to savings deposits and acting as executor and trustee in all fiduciary matters, has, during the four years of its activity, built up its assets to more than \$6,000,000.

Made Vice-President of Lumber Company

C. H. Works, cashier of the State Bank of Kamiah, Idaho, has become vice-president of the Rawson-Works Lumber Company, recently organized there with a capitalization of \$1,000,000. The output of the plant will be 100,000 feet a day. Illinois and Iowa capitalists and lumbermen of Minnesota and Wisconsin are interested in the enterprise.

Spokane and Eastern Trust Company

R. Lewis Rutter, vice-president and manager of the Spokane and Eastern Trust Company, says in his annual statement that the

actual "turnover" in 1911 amounted to \$296,202,000, an increase of \$11,000,000 over 1910. Ninety-six million dollars of this was checked in and out of the bank while the business with the country banks amounted to \$43,000,000. In remittances the business back and forth was \$34,000,000 against \$30,000,000 in 1910.

Purchase Bonds

Spokane and Eastern Trust Company has purchased the \$50,000 Franklin county (Wash.) issue of 10 and 20-year bonds, drawing 5 per cent, at 101 and accrued interest. The 10-year 6 per cent issue of \$7,000 of school district No. 84 of Kootenai county, Idaho, was purchased at par and accrued interest. The \$5,392 issue of 6 per cent 10 and 20-year city bonds of Harrison, Idaho, were purchased at a small premium. The Franklin county issue has been approved by C. B. Masslich of New York and the Harrison issue has been approved by C. B. Wood of Chicago.

Large Gain in Loans

Spokane Savings and Loan Society, capitalized at \$2,000,000, of which \$900,000 is paid in, shows in its annual report that 256 loans amounting to \$301,544 are in operation, an in-

crease of 14 per cent over 1910. The average loan is \$1,175 and the average individual deposit is \$318.57. It has been decided that future loans will not be limited exclusively to members. Those officers were elected: President, Dr. E. D. Olmsted; vice-presidents, J. C. Barline and W. A. Huneke; secretary-treasurer, Frank A. Chase; assistant secretary, J. L. Cooper. The society has assisted in building 500 homes in Spokane.

Foresee Influx of Homeseekers

Representatives of transcontinental railroads operating in the Northwest say in letters to the Spokane chamber of commerce that the influx of homeseekers into Washington, Oregon, Idaho and Montana the coming spring will be much larger than in 1911. The various companies have received thousands of inquiries regarding agricultural lands in the four states and it is predicted that many hundreds from the crowded cities of the East will take up farming in this part of the Northwest.

Declare Dividend of 3½ Per Cent

Fidelity Building and Loan Association of Spokane declared a semiannual dividend of 3½ per cent at its yearly meeting on January 16th. The officers are: President, Otto Sperling; vice-president, O. C. Jansen; secretary, F. S. McWilliams; treasurer, F. W. Beal. J. Grier Long, president of the Washington Trust Company, was elected to the directorate. The society has 1,980 members.

McLean and Rouse Address Meeting

Charles A. McLean, cashier of the Traders National Bank of Spokane, and J. J. Rouse, cashier of the National Bank of Pullman, were speakers at the annual meetings of the Pacific Northwest Hardware and Implement Association and the Inland Empire Retail Dealers Association in Spokane on January 17th.

Banking Notes

Niel Nielsen, M. P., of New South Wales, formerly minister for lands, was entertained by the Spokane chamber of commerce and local bankers, January 13th to 15th. The purpose of his visit to the United States and Canada is to improve trade relations between America and Australia and to study irrigation, as practiced in the Northwest.

Indictments on three counts were returned against Edgar S. Wyman, formerly cashier of the defunct State Bank of Commerce at Wallace, Idaho, by the grand jury of Shoshone county on January 16th. The jury has been discharged.

R. W. Butler, auditor of Spokane county, says in his annual report that the receipts in 1911 amounted to \$4,499,213, the disbursements being \$3,495,946, of which \$1,715,141 was expended for school purposes.

Fidelity National Bank of Spokane, headed by Thomas H. Brewer, has been appointed clearing house representative for the Farmers and Mechanics Bank of Spokane, as a result of the recent change in which the Exchange

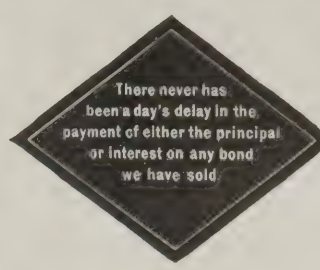


The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

OFFICERS—

D. W. TWOHY, President
T. J. HUMBERT, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

	J. S. & W. S. KUHN INCORPORATED INVESTMENT BANKERS First National Bank Bldg., Phone Central 6400 PITTSBURG CHICAGO PHILADELPHIA	
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National Bank relinquished its interest in the state institution.

A. W. Lindsay, cashier of the Fidelity National Bank of Spokane, was re-elected vice-president of the First National Bank of Harrington at the annual meeting. Harry Ochs was re-elected president and W. W. Downey was renamed cashier.

Columbia National Bank at Dayton, Wash., declared a dividend of 20 per cent for 1912. These officers were elected: President, Levi Ankeny, Walla Walla; vice-president, Andrew Nilson; cashier, Webb Jessee; assistant cashier, George Jackson. The Broughton National Bank at Dayton elected the following officers: President, C. J. Broughton; vice-president, J. L. Dumas; cashier, A. P. Cahill; assistant cashier, S. Z. Varnes.

First National Bank of Waitsburg, Wash., has these officers for 1912: President, Lewis Neace; vice-president, J. W. Morgan; cashier, W. G. Shuham; assistant cashier, J. E. Butler. The deposits are \$90,000 in excess of 1910. The Exchange Bank has these officers: President, Marcus Zugar, Sr.; vice-president, Walt C. Minick; cashier, H. P. Peterson; assistant cashier, L. H. Hubbard.

Newport, Wash., banks have elected officers for 1912 as follows: First National Bank—President, F. A. Blackwell of Spirit Lake, Idaho; vice-president, Henry Tweddle; cashier, Charles F. Craig. Security State Bank—President, Dr. J. T. Philips; vice-president, William Moeser; cashier, E. W. Anderson; assistant cashier, Fred Stephens.

The Benton County National Bank of Prosser, Wash., has elected the following officers: President, E. L. Stewart; vice-president, E. C. Houston; cashier, C. R. Harper. At the annual meeting of the Citizens State Bank of Prosser this week the following officers were elected: President, C. H. Pearl; vice-president, A. R. McLane; cashier, Guy H. Pearl; assistant cashier, Don Pearl.

At the annual meeting of the stockholders of the Bank of Rosalia, Wash., the following officers were elected: President, Edwin T. Coman; vice-president, R. P. Turnley; second vice-president, Andrew Calhoun; cashier, Herman Riek; assistant cashier, L. D. Kohlstaedt.

At the regular meeting of the stockholders of the First National Bank of Medical Lake, Wash., the following officers were re-elected: President, W. R. Cunningham, Jr., of Everett; vice-president, O. W. Green, of Ritzville; cashier, B. W. Hughes, assistant cashier, Fred H. Kirchhoffer.

At a meeting of the stockholders of the First National Bank of Milton, Ore., the following officers were elected: President, H. L. Frazier; cashier, G. A. Price; assistant cashier, T. C. Frazier.

At the annual meeting of the stockholders of the First National Bank of Lind, Wash., the following officers were elected: President, W. R. Cunningham, Jr.; vice-president,

O. H. Green; cashier, H. S. Snead; assistant cashier, William Coddington.

The First National Bank of Coeur d'Alene, Idaho, has elected the following officers: President, J. T. Carroll; vice-president, F. W. Tinkle; cashier, J. R. Nevers.

The Methow Valley Bank of Pateros, Wash., has been organized with the following officers: President, Charles T. Borg; vice-president, J. M. Swenson; cashier, O. A. Johnson. Application has been made for a charter from the state.

Harry L. Day, Stanley A. Easton, Eugene R. Day and John H. Nordquist, formerly directors of the defunct State Bank of Commerce at Wallace, Idaho, were discharged in the district court there, January 18th, the second grand jury failing to return indictments.

Joseph R. Baldwin, an expert accountant, was convicted on the charge of forgery by a jury in the Spokane county superior court on January 18th. He was engaged to audit the books of the Langert Wine Company and by raising checks and altering accounts he secured \$910.

Seattle

President E. W. Andrews recently completed his twentieth year as chief executive of the Seattle National Bank. He is now the bank president of longest continuous service as such in Seattle, with the promise of many more years of activity and usefulness to the community, and the bank over which he presides. Mr. Andrews began his banking career in Cincinnati, Ohio. He came to Puget Sound in the early '90s, and was connected with a bank in Olympia a short time before he was called to the position he has occupied ever since.

Seattle Association of Credit Men last week elected officers. Ralph S. Stacy, vice-president of the National Bank of Commerce, was re-elected treasurer. Vice-President J. W. Spangler was returned to the board of directors.

KAISER HONORS JAMES SPEYER

James Speyer, the New York banker, has received from the German emperor the decoration of the Red Eagle of the second class. The honor was conferred through the German ambassador in Washington. It is understood to have been given in recognition of the part his family has played in national and international financial affairs, and also in appreciation of his efforts to promote more cordial relations between Germany and the United States. Mr. Speyer was the founder of the Theodore Roosevelt professorship in the University of Berlin, which resulted in the exchange of professors between the leading universities of the two countries.

Little Rock, Ark.—The Peoples Savings Bank has increased its capital stock from \$50,000 to \$100,000.

OREGON BANKER PAROLED

Portland, Ore.—F. N. Myers, former president of the wrecked Mt. Scott Bank, who was serving two years in the penitentiary, convicted of having received deposits after he knew the bank to be insolvent, has been paroled by Presiding Judge Gates. Myers was sentenced about two months ago. The mitigating circumstances which led to the parole were the efforts which the convicted bank wrecker and his friends had made in raising about \$3,500, which, with other assets of the bank, will pay the depositors dollar for dollar. In addition to the Mt. Scott Bank, Myers also operated the Italian-American Bank, which failed here, and previously promoted several banks in California towns, which failed.

CENTRAL WEST LETTER

(Continued from page 21)

hand" letter demanding \$2,000 in gold under pain of all manner of trouble. He has paid no attention to the matter.

The International Bank of Commerce of Tucumcari, New Mexico, has closed its doors. Bank Examiner John Joerns has taken charge. The bank was capitalized for \$50,000 and the deposits amounted to over \$150,000. It is said that the bank's affairs are badly involved.

Among the visiting bankers in Kansas City last week were: George E. Murphy, president of the First National Bank, Manhattan, Kan.; A. I. Brooks, president of the State Bank of Fredonia, Kan.; C. J. Benson, president of the Bristow National Bank, Bristow, Okla.; S. J. Williamson, president of the Farmers and Drovers Bank, Council Grove, Kan.; Alvin Dougherty, vice-president of the First National Bank, Logan, Kan.; J. R. Finley, cashier of the State Bank of Ottawa, Kan.; E. L. Walton, cashier of the Prescott State Bank, Prescott, Kan.; W. P. Conkey, cashier of the Bank of Pleasanton, Kan.; W. E. Thompson, cashier of the Bank of Nashua, Nashua, Mo.; Frank A. Kent, assistant cashier of the Citizens National Bank, Pawhuska, Okla.; E. N. Ferguson, president of the State Savings Bank of Springfield, Mo.; R. R. Hall, president of the Oklahoma State Bank of McAlester, Okla.; H. D. Heams, cashier of the Farmers State Bank of Marshall, Mo.; S. E. Patton, vice-president of the State Guarantee Bank of Frederick, Okla.; J. A. Price, president of the Okmulgee National Bank of Okmulgee, Okla.; A. W. Anderson, cashier of the First National Bank of Norman, Okla.; L. A. Knight, president of the First National Bank of Plainview, Texas; A. L. Reece, cashier of the Commerce Bank of Jamesport, Mo.; P. S. Powell, president of the First National Bank of Nowata, Okla.; J. W. Cooper, vice-president of the State Exchange National Bank of Parsons, Kan.; Ralph Snyder, cashier of the Jefferson County Bank, Oskaloosa, Kan.; J. A. Cordts, cashier of the First National Bank of Overbrook, Kan.; C. M. Breese, cashier of the First National Bank of Manhattan, Kan.

JOHN McHUGH - President
 JOHN J. LARGE - V.-Pres.
 W. L. MONTGOMERY, V.-Pres.
 HENRY G. WEARE - V.-Pres.
 F. A. McCORNACK - V.-Pres.
 H. A. GOOCH - Cashier
 O. D. PETTIT - Asst. Cashier
 FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
 BUSINESS AND OFFER
 YOU EXCEPTIONAL
 FACILITIES. CORRE-
 SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
 Excellent Collection Facilities

ARTHUR REYNOLDS, President
 J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
 C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
 W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
 C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
 Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
 Savings Bank that Makes a Specialty of
 Collections and Bank Accounts

Largest Bank in Clinton
 County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
 33 years of continuous conservative and successful banking

OFFICERS
 RALPH VAN VECHTEN, President LOUIS VISHA, Assistant Cashier
 GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
 KENT C. FERMAN, Cashier A. B. SHOUSE, Auditor

Reserve Agents for National Banks

Des Moines, January 24.—Secretary Hall of the Iowa Bankers Association is well pleased over the results achieved last week in the capture and conviction of bank robbers. James King was found guilty at Harlan of complicity in the attempt to rob the Panama Savings at Panama. This was the case in which President Sullivan of the institution, receiving a tip of the robbery, concealed himself in the bank and fired a shotgun through the door when he heard the robbers coming. King was shot in the arm and was arrested at Omaha later. In addition to his conviction, George Hodges, alias Frank Hicks, and E. J. Blair were arrested suspected of being involved in the Derby Bank robbery of some months ago. Detective Patek of the W. J. Burns agency arrested Hodges in Des Moines, where, it seems, Hodges had endeavored to buy off a Des Moines man whom he suspected of being familiar with the robbery at Derby. Blair was arrested by Des Moines detectives at Valley Junction. He had been arrested by the Des Moines police and later released. Detectives then recognized him in a "mugg" paper and followed him to Valley Junction. Secretary Hall does not know what evidence is at hand in the Blair case but he regards the evidence in the Hodges case very good. There are now five arrests in the Derby bank case. Three of them are in jail at Chariton and others will be sent there. Secretary Hall is convinced that some of the mob involved in the Derby case were mixed up in the Panama robbery and probably in the attempt at the City State at Mitchellville, but not all of them were involved in all of the robberies.

Iowa Group Meetings

Thus far only three Iowa group meetings have been scheduled so far as actual selection of dates is concerned. Group 4 will meet April 25th, but the location has not been selected. Group 7 meets February 22nd at Tama-Toledo and Group 10 meets February 12th at Ottumwa. Emerson Dupuy, editor of the Northwestern Banker of Des Moines, will be one of the speakers at the Group 7 meetings.

Meeting of Tax Commission

An important meeting of the temporary tax commission has been held in Des Moines making further investigations into needed amendments to the tax laws of Iowa. C. N. Voss of Davenport, a well known banker, is a member of the commission. It is not possible as yet to know just what the commission will recommend to the next legislature but it is reasonably certain that some of the recommendations will be as follows:

The appointment rather than election of assessors.

A permanent state tax commission.

A central authority in each county, either a county assessor or supervisor in full control.

Separate listing of real estate and the assessments thereon.

Assessments at actual and full value on all property.

Separate assessments of terminal values of railroads.

A larger proportion of the support of the state to come from indirect taxation and very little from a state tax levy.

Last week, the commission heard arguments all week. Leading residents of the state who have taken an active interest in tax affairs and members of the last legislature who were similarly interested appeared and spoke in favor of their various hobbies on the various questions. The hearings were of much value to the members of the commission.

Death of H. D. Fish

Henry Dwight Fish, aged 83, died at Davenport last week. Mr. Fish was the first inventor of the time-lock, eight years before the Civil War broke out. At that time Mr. Fish was residing in Massachusetts. He had his invention patented but when he sought to have the article manufactured, he was told that there was no demand for it. As soon as the patent expired, every safe and lock manufacturer in the country seized the invention, made minor improvements and began the manufacture. Fish tried to have his patent renewed but congress refused to recognize his claims and he never received a cent for the trouble and care bestowed. Fish was always a failure in business and at the time of his death was bridge tender at Davenport.

Borrowed Money Without Security

Rather an amusing story of frenzied finance was related by one E. A. Boggs in the courts at Waterloo. Boggs claimed that he borrowed \$129,000 from twenty-three institutions and the largest single loan was for \$62,000, from the Bank of Morrison. He declared that he had no security whatever and that the banks simply advanced him this money upon his request. Bankers in Des Moines take the story with considerable salt. In the first place the Morrison bank is only capitalized for \$10,000 and limited by law to loaning not to exceed \$2,000 to any one individual. In sending out the dispatches from Waterloo the Bank of Montrose was inadvertently substituted for that at Morrison. Immediately thereafter President Younk and Cashier Lamb of the Montrose Savings arose in their wrath and denounced the story as a fake. They were mollified somewhat when they discovered that it was Morrison rather than Montrose.

Seeking Aid in Campaign

Professor P. G. Holden, candidate for governor of Iowa on a Greater Iowa platform, has been trying to capitalize some of the ideas for increased agricultural education which the banks of Iowa are beginning to take up, so opponents of the Ames professor assert. It is charged that the campaign committee in

A charter has been issued to the Bristow National of Bristow, Okla., capital \$25,000, which succeeds the Farmers State Bank of Bristow.

charge of the affairs have been writing to various banks in Iowa asking them to contribute to the expenses of the Holden campaign on the ground that he stands for the same agricultural extension and expansion that the banks have endorsed. This is a violation of the Iowa primary law and probably will not be continued.

Elected Manager Davenport Clearing House Association

Julius Hasler, cashier of the Farmers and Mechanics at Davenport, has been elected manager of the Davenport Clearing House Association. H. P. Oetsmann, assistant cashier, will be in charge of the daily exchange and Albert Wolters will assist him. The daily clearing exchange and monthly meetings this year will be held at the Farmers and Mechanics.

To Push Work of Citizens League

Robert Fleming, manager of the campaign of Senator A. B. Cummins, when the latter was a candidate for senator, has been placed in charge of Iowa to push the work of the National Citizens League for the promotion of a sound banking system. He has named Col. G. Watson French of Davenport as eastern Iowa subdirector.

Banquet for Stockholders

The Farmers Savings at Ruthven pulled off a banquet for its stockholders at the recent annual meeting. About sixty were present. P. W. Hall, secretary of the I. B. A., was present and gave an address on the Aldrich plan, which he explained in detail to the interested audience. The directors of the Scott County Savings at Davenport also gave an annual banquet at the Outing Club. A social time was much enjoyed and business questions were discussed. It was a pleasant occasion.

Caught at Denver

Peter Georges drew a check for \$65 on the Greek-American of Chicago, presented it at the window of the First National at Mason City, secured the money and skipped. The W. J. Burns Agency got busy and Georges was arrested in Denver just as he was passing one for \$25 on the United State National. Georges has been living at Mason City for some time. He will be brought back for trial.

Ingwersen for Mayor

J. H. Ingwersen, president of the Peoples Trust and Savings at Clinton and one of the best known bankers in Iowa, is being sought for office. People of Clinton want him to be a candidate for mayor on the democratic platform next spring.

Has Retired from Presidency

Charles McKeen Duren has retired from the presidency of the Hardin County National and Hardin County Savings at Eldora. He has been connected with banking interests at Eldora for forty-five years and for over twenty years was cashier of the institution from which he is now retiring. He was chosen president in 1893 when Ellis D. Robb, now national bank examiner, was elected cashier to succeed him. He is also president of the Providence State at New Providence.

To Have New Bank Building

The Iowa State Savings at Burlington is in line with the march of progress. The institution will shortly tear down the three-story structure in which it has been housed and erect instead a handsome eight-story office block. The structure will have a frontage of 121 feet on Third Street and 40 feet on Jefferson Street.

Girl in the Case Indicted

Another development in the case of Leroy Utterbach, the Waterloo bank clerk arrested

for stealing \$1,250 from the Black Hawk National, which he gave to his best girl so that she might purchase an automobile, is that now Miss Katherine Pfalzgraf, who received the money, has been indicted and arrested on charge of receiving stolen property. The young woman denies emphatically that she knew where young Utterbach secured the money which he presented to her.

Banking Notes

Stephen R. Cross, president of the State National at Iowa Falls, died recently after a brief illness. He had been president of the bank four years and was 67 years old.

The First National at Nevada points with pride to a gain in deposits of \$60,000 during the past year.

L. E. Stevens, president of the Century Savings, Des Moines, has been named one of the committee from the Commercial Club which will seek to secure better toll line telephone service between Des Moines and northern Iowa points.

The Blue Grass Savings of Davenport has filed amendments changing the number of board of directors to nine.

E. J. Curtin, president of the I. B. A., has been in North Dakota, where he is interested in several banks. One of the largest of these institutions is at Beach.

Allen R. LeRoy has been made cashier of the First National at Manchester, succeeding F. E. Dutton, who resigned. The latter becomes cashier of the proposed Merchants and Farmers.

The Peoples Savings at Spencer is a new institution at Spencer. The capital stock is \$25,000. Incorporators include H. N. Smith, A. C. Perine, W. H. Lamar.

The State Bank of Dows has renewed the life of its corporation. The capital stock is \$25,000.

The City Bank at Boone will observe its fortieth anniversary in April. It is probable that there will be something doing out of the ordinary in honor of the day.

W. J. McChesney, recently made president of the First National at Iowa City, has resigned from the board of directors of the hospital at the state university.

The Exchange at Ackley has changed its name to the Rath State Exchange Bank of Ackley.

The Rose Hill Savings has increased its capital stock to \$25,000.

Evan Mattison, president of the First National at Gibson City, Ill., recently purchased the famous Oliver ranch near Onawa. This farm consists of 2,200 acres and the sum paid totaled over \$200,000.

C. B. Murtagh, president of the State at Ringsted, has accepted the position of cashier of the Algona Savings at Algona and will remove to that place.

The foundation for the new bank building of Allyn Brothers at Mt. Ayr will soon be started. It will be 22 by 70 and the plans indicate that it will be one of the handsomest in southern Iowa.

The Farmers Bank building at Swan was badly damaged by fire.

Bank clearings in Des Moines gained over \$300,000 for the week ending January 20th.

Henry T. Blackburn, cashier of the Iowa National at Des Moines, has recovered suffi-

ciently from his broken leg to be at the bank much of the time.

Among out of the city bankers seen in Des Moines recently are: President W. C. Bergman, First National, Newton; Ed Given, Farmers and Merchants, Mountain View, Okla.; Cashier M. C. Furst, Exchange of Adair; Cashier William Carpenter, Farmers Savings, Lacona; President H. Jenks, Avoca State; Cashier F. P. Berger, German Savings, Carroll; Cashier R. R. Welton, First National, Adair; Cashier D. E. Naville, Terrill Savings, Terrill; President W. M. Steer, Truro Savings, Truro; President E. T. Dufur, First National, Diagonal; Vice-President R. C. Head, First National, Jefferson; President J. B. Elliott, Knoxville National; Cashier T. R. Watts, Citizens, Grand Junction; Vice-President F. W. Powers, Black Hawk National, Waterloo; Vice-President E. V. Bailey, Sac City State, Sac City; Cashier O. M. Grove, Farmers Savings, Roland; Cashier S. J. Oldfield, Citizens State, Mitchellville.

Sioux City

By JOHN J. BIDDISON.

Instead of returning to the realm of banking, Ed. T. Kearney, of Jackson, Neb., has turned from the sublime to the ridiculous. He will become an advertising specialist. Mr. Kearney last summer sold his Bank of Dakota County and announced his retirement. A few weeks ago he authorized the announcement that he would start a new concern, to be known as the Tri-State Savings Bank, in Sioux City. He had plans for this bank well under way and had fixtures ordered and capital stock aggregating nearly a half million dollars offered when the Davidson Brothers Company offered him a surprisingly large sum to take over the publicity department of the store. He accepted and announced the postponement of the banking scheme, although he admits that probably he will not remain permanently in the advertising business. He decided, however, that he could decide to take a "rest."

Mr. Kearney is not without experience in the new line, having written a line of bank "ads" that took well and were extensively reprinted in trade journals, and he handled the publicity for a small Sioux City concern and made it "go."

State Banks of South Dakota Make Good Showing

A remarkable increase in the undivided profits of the 528 state banks of South Dakota is shown by the report of Public Examiner J. L. Wingfield, following the December call. From a September decrease of \$44,833 they have mounted to a December increase of \$1,157,116.72. The figures show also a much healthier tone in deposits, the decrease at the time of the September call, which amounted to over a million dollars, having been reduced to \$196,370.22, which, at this season, is considered good. The total amount of personal deposits was \$19,492,720.91 and of savings deposits, \$1,935,005.58.

Banking News Notes

It is announced that the Meade County Bank, which was recently closed on order of the state public examiner, will be reopened as soon as its depleted reserve can be brought up to the required 15 per cent. The restoration is now going on as fast as local conditions will permit, it is stated.

An infection of the eyes, supposed to have resulted from the handling of "tainted" money, has laid up Chas. E. Bale, cashier of the Calhoun County State Bank, of Manson, Ia., for a week.

Stephen R. Cross, of Iowa Falls, president

of the State National Bank, is dead, after a brief illness.

Among the Visiting Bankers

E. R. Kenefick, cashier of the Home National Bank, Dell Rapids, S. D., was transacting business in Sioux City Wednesday.

F. E. Watkins, former president of the First National Bank of Hawarden, Iowa, and still a very large stockholder, has been spending several days in Sioux City. He is a large owner of Oklahoma real estate, and spends his winters in that state.

John R. Welch, president of the First State Bank, Mapleton, Iowa, was in Sioux City Wednesday.

O. A. Anderson, cashier of the Citizens State Bank, Irene, S. D., was in Sioux City Wednesday.

W. S. Short, president of the Northwestern State Bank, Orange City, Iowa, was in Sioux City Thursday.

J. M. Newell, cashier of the First National Bank, Mt. Vernon, S. D., spent a couple of days this week with F. A. McCormack of the First National Bank.

S. S. Davenport, cashier of the Citizens Savings Bank, Lester, Iowa, was in Sioux City on business Saturday.

John J. Large, vice-president of the First National Bank, spent several days in Chicago the first of the week.

NEVADA BANKS IN GOOD CONDITION

A summary of the condition of the 19 state banks in Nevada has been made public by the Nevada State Banking Board. A comparison made as of January 7, 1911, before the passage of the new banking act which became a law March 22, 1911, with the last call for the report of conditions of December 5, 1911, gives the following summarized figures:

	Jan. 7, 1911.	Dec. 5, 1911.
Loans and discounts	\$5,598,012.76	\$5,875,873.64
Overdrafts	485,218.15	168,074.46
Cash on hand	815,638.32	774,310.91
Due from banks	2,261,413.36	2,682,044.79
Due to banks	153,248.75	108,798.02
Deposits	7,939,630.37	8,933,892.79
Total resources and liabilities	\$10,338,817.17	\$11,138,032.52
Reserve in cash	10 3-10%	8 7-10%
Reserve in banks	26 4-10	28 8-10
Total reserve	36 7-10	37 5-10

In commenting upon the statement, Governor T. L. Oddie, who is chairman of the state banking board, says, in part: "It will be seen that the new banking law has had its effect in many instances. By way of illustration, overdrafts amounting to \$485,218.15 which were carried by the banks in January, have now been reduced to \$168,074.46, or a decrease of \$317,143.69. It is apparent that the present banking act is a good and strong one, and is gradually making itself felt throughout the state; and had we a banking law of this kind prior to 1907 there would have been no bank failures in Nevada. Another thing not to be overlooked is the fact that the state is getting on a more prosperous basis, and her great resources are being taken hold of in a stronger way. Confidence is being restored, money is easier, and more of it in the banks. Loans have increased \$277,860.88; cash on hand in banks amounts to \$3,456,355.70, showing an increase of \$379,304.02; deposits have increased \$994,262."

The Easton (Minn.) State Bank chose L. R. Johnson as cashier for the coming year.

LECTURE BEFORE THE BRITISH INSTITUTE OF BANKERS

(Continued from page 19)

a partner, it could hardly be suggested that the firm had their checks collected through the private account of a partner. On the face of it, it would appear as if a partner had taken for his own purposes a check, which belonged to the firm. If the check was crossed "a/c payee," a crossing, which does not affect the negotiability of a check, it would be held as stronger evidence against the banker. The only way a bank can protect itself is by making inquiries of the firm, taking care, of course, to inquire of some partner other than the partner for whom the check is being collected. There is another point to consider in this connection. Is it open for a firm to sue a banker, when their cause of action arises from the fact that one of their partners had been the cause of the fraud?

The point has really still to be decided.

Every member of a trading firm has an implied power to borrow money on account of his firm, but not when it is a non-trading firm. There may be an agreement between the partners restricting this power, but that would not affect outsiders without notice. A banker is entitled to assume that there is no restriction as to the amount the partner is allowed to borrow. He may rely on the general power. Of course, if the banker asks questions, he may find that there are restrictions. A partner may exercise his power in the same way that an individual can, and in every case all the members of the firm are bound.

Every partner has an implied power to give security for the money borrowed, and for that purpose he can mortgage or pledge all or any part of the assets of the firm and agree to any form of security. There is only one thing he cannot do, and that is, he cannot bind his co-partners by deed, i.e., by legal mortgage.

When security is taken from one partner it should be made to appear upon the face of the security itself that it has been done on account of the firm. Some banks do not rely on this implied authority of individual partners to give security, and require the authority of all partners. That is just as well, but it is not necessary.

With regard to a "non-trading" firm, as already stated, a partner in such a firm has no power to borrow on behalf of the firm. If it is done, however, it may be open for the bank to show some ratification of the act of one partner by the other partners. For instance, if the pass-book shows the account to be overdrawn, and it has been seen by the firm, and returned to the bank without any comment, that would be held to be ratification of the partner's act, unless the other partners could prove that they had no knowledge of the contents of pass-book.

As to bills of exchange and promissory notes, here, again, a distinction must be made between "trading" and "non-trading" partnerships. A member of a trading firm has power to bind his firm by drawing, accepting and endorsing bills, or by making or endorsing promissory notes, on behalf of the firm, and in the firm name.

The authority does not apply, however, to bills drawn in blank, except when they come into the hands of a holder for value without notice of the way in which the bill was drawn. Neither can the partner bind his firm on accommodation bills, except in a like manner, in the hands of a holder for value. It must be remembered that as between the person dealing with the partner and the firm, he would be affected by any knowledge that that partner was abusing his authority, but any holder in due course would not be affected by any defect in his title.

Now, with regard to the dealings of part-

ners in non-trading firms with bills and notes, no member of such a partnership can bind his firm by any negotiable instrument. There must be expressed authority. If a partner draws or accepts a bill in the partnership name, he would be liable, but the firm would not. Only in one case can an individual partner in such a firm bind all the partners in a firm by dealing with a bill; if a bill is payable to the order of a non-trading partnership firm, any partner can by endorsing upon it the firm name transfer the instrument, and a holder in due course would be able to sue the firm upon it.

Persons may, and often do, carry on business in partnership in the name of one of their number. Suppose that the partner whose name constitutes the firm name puts his name to a bill, is the bill to be treated as his bill or that of the firm's? There is a presumption in such a case of the bill being the bill of the firm, but if it can be shown that the bill was given as that of the individual partner, and not as that of the firm, the firm would not be liable, but the partner would.

Again, in transactions connected with negotiable instruments, a partner has no implied authority to use a name which is not the firm name. Should he do so, unless it can be shown that the operation was authorized by the other partners, the firm would not be liable under the bill. Where a bill drawn on the wrong name, and is accepted in the firm's correct name, the firm would be held liable. But if a bill were drawn on A, a partner in X & Co., and A accepts the bill as X & Co., the firm would not be liable but A would.

The lecturer now dealt with a firm's liability for acts done by a partner. A banker cannot rely upon the authority of one partner to bind the firm when that authority is known to be misused. If a partner pledges the security of the firm to the banker for a loan and the money is paid to the man's private account, it is obvious that the partner is abusing his authority.

Again, if the firm's account and an individual partner's account are kept at the same branch, and the latter is overdrawn, can the bank place money at credit of the firm's to the partner's account to reduce the overdraft? Although the partner gives a good reason for it, the banker obviously cannot do so without further inquiry.

If a partner was being pressed by his banker to reduce his overdraft, and gave the bank a bill of exchange accepted by the firm in the firm name, all written by himself, as security, the bank could not sue the firm on that bill. The determining factor as to whether the banker acted in good faith is "did the bank get anything out of it?"

COLUMBUS DEPOSITORS TO GET 60 PER CENT DIVIDEND

Comptroller of the Currency Murray on January 20th declared a dividend of 60 per cent to the depositors of the defunct Union National Bank of Columbus, Ohio. Ultimately it is expected the depositors will be paid in full.

ANOTHER BANKER TO PRISON

San Francisco, January 22.—A. F. Martell, president of the defunct Market Street Bank, was sentenced to-day to five years in San Quentin prison. Martell was convicted of having issued a false statement regarding the financial condition of the bank in August, 1906.

Seward Prosser, vice-president of the Astor Trust Company, has been elected a director of the Bankers Trust Company, New York City. Officers of the Bankers Trust Company were re-elected.

FAVORS FOUR BANKING BILLS

Boston, January 22.—In executive session the committee on banks and banking to-day voted to report the following bills:

That trust companies may give security for deposits, as required by the United States law and regulations of the trustees of the postal savings system, for postal saving deposits.

That trust companies may invest 25 per cent of their surplus, as well as 25 per cent of their capital, in bank buildings, but that no such building shall exceed in cost \$250,000.

That section 45 of the savings bank act shall apply to trust companies; it provides that no director or officer of a savings bank or trust company shall directly or indirectly receive any money or valuable thing from a borrower as a reward or inducement for making a loan.

That at stockholders' or directors' meetings of trust companies the meeting may decide how much of the annual report as to the condition of the company shall be read.

CANADIAN BANKS

Montreal.—Statement of the chartered banks of Canada for the month ended December 31st, shows the increases that have been made over the calendar year in the principal accounts. The year was undoubtedly the most prosperous ever enjoyed by Canadian banking institutions, as a result of the ready demand there was for money and the tremendous increases in deposits and in circulation.

SNOWDON CAPTURED

Walter A. Snowdon, until his disappearance last July with \$8,500 of the funds of the Trust Company of North America, Philadelphia, the trusted assistant teller of the institution, has been captured in Savannah, Ga., by an operative of the local office of the William J. Burns Detective Agency, the services of which were engaged in the case two months ago. He will probably waive extradition proceedings, and will be brought to Philadelphia for trial in a few days.

BANKS GET NEW PRIVILEGE

The way has been opened for state banks and trust companies to become known as "United States depositories." According to the view of the treasury department, any financial institution in America, national, state, bank or trust company, holding postal savings deposits or other government funds, may assume that title without legal impediment. The privilege of becoming known as a depository of the nation's funds is much sought by every bank in the country. Of the 7,300 national banks only about 1,400 are officially designated as "United States depositories."

W. H. TABER INDICTED

Terre Haute, Ind.—The grand jury last Saturday returned three indictments against W. H. Taber, president of the American State Bank, closed by the state bank examiner. His bond was fixed at \$6,000, which is \$4,000 less than the bond he was under on the charge filed against him by two directors of the bank. The indictments are for larceny, embezzlement and unlawful loan of the bank's money in the sum of \$5,000.

One indictment is based on a transaction in which the Commercial Life Insurance Company is alleged to have figured. Another indictment is the result of alleged improper use of an accommodation note for \$883, and the third indictment is for the overdrawing of a few hundred dollars. It is understood that more indictments against Taber will be returned. He gave the \$6,000 bond and was released.

SEES A MENACE IN POSTAL EXTENSION

Characterizing not only the proposed postal insurance, postal telegraph and parcels post, but also the established postals savings banks nothing more nor less than state socialism, Henry A. Castle, from 1892 to 1896 postmaster in St. Paul, and from 1897 to 1904 auditor of the postoffice department, recently asserted that all these departures are dangerous in their tendencies, because they carry the government into the realm of private business where it was never intended to go.

"The only question is, where are they going to end?" he asked, discussing the most recent proposal of James J. Britt, third assistant postmaster-general, that the government insure the contents of packages sent through the mails. "If the government is to have anything to do with these things, regulation is much better than government ownership, in my opinion, for the business can better be transacted by private individuals or corporations under strict governmental supervision than by the government itself.

"I don't favor such postal insurance on general principles. The postal service was established for a specific purpose, the transmission of the mails, and any venture outside of that competes with private business, and consequently is a doubtful expediency. The government should engage in nothing that involves pecuniary liability, for it cannot do it as well as private business.

"Any departure, even the issuance of money orders, is an outside feature not intended, when the postoffice department was organized. The registry business proper is a legitimate function, but when the government proceeds to insure the contents of a package sent through the mails, it assumes a business function it never was intended it should.

"The government has embarked in different enterprises I do not think were right. The officials and employees of the department are anxious to increase their functions and to extend their divisions, and so they propose these different things. They are all dangerous in their tendencies.

"The government now insures them by registry to a limited amount. It should not go any further."

Commissioner Preus Indorses Scheme

An opposite opinion was expressed by J. A. O. Preus, state insurance commissioner, who, discussing the proposal in an off-hand way, said he saw no reason why the government should not take off the present limit of \$100 and insure packages to their full value, charging premiums accordingly.

"That would not necessarily exclude the insurance companies from continuing their business," he said. "In fact, I don't think it would hurt their business, principally for the reason the government would not go out to get the business.

"The idea that state insurance or postal insurance, or other governmental ventures of the kind, injure private business, is wrong, for that reason. In this particular case, I think private concerns probably would be able to furnish more satisfactory rates than the government anyway, and so get the bulk of business. A private business can always be managed more economically than the government could operate the same business under its civil service rules—that is common experience."

Two well-known St. Paul insurance men took the same view as Mr. Preus regarding the inroads that might be made in the business now done by insurance companies should the government enter the field.

Greenville, Ma.—At a meeting of the First National Bank, the capital was increased to \$125,000.

BANK \$10,000 SHORT

Grand Rapids, Mich., January 25.—Following the discovery and subsequent confession that he is from \$10,000 to \$12,000 short in his accounts, Kryn Van't Hof, manager of the West Side branch of the Kent State Bank, has been deposed from his position. What legal action will be taken is not known at present.

The discovery was made by Assistant Cashier Baarman. Baarman brought Van't Hof to the main bank, where he confessed, it is said, to President Henry Idema. He now is aiding in tracing the shortage. His method was to draw checks on dormant deposits of various large depositors.

Van't Hof is a cripple, having lost an arm in a Comstock sawmill several years ago. He was one of the founders of the Grand Rapids Pearl Button Company. The bank was protected by a surety bond and Van't Hof has turned over his property to help make good the shortage.

OUTLOOK IN THE NORTHWEST

St. Paul.—Although there is a dullness in local financial and investment circles incident to the first of the year there is no discouragement with a majority of the bankers and jobbers. Some of the jobbers who have received reports of the amount of moisture which has fallen in the Northwest during the last few months are very optimistic over the prospect for a big crop the coming year.

They argue that on account of the large rainfall after the harvest and the early cold weather the ground was frozen with most of the moisture in it. This will make the best possible condition for a full crop the coming season. It will need only occasional rains to moisten the surface to bring good crops. Some of the jobbers go so far as to say that the chances for a light crop are very remote.

The Northwest is in a cheerful mood because of this fact and because the business men believe that the short crops of the last two years will not be repeated. The soil conditions are against a recurrence of light production. Average yields are expected in Minnesota, North and South Dakotas. If this is fulfilled there can be no political discussion which will work much harm to this part of the country. The size of the crop determines the prosperity of this section.

ALBION BANK STOCKHOLDERS TO RAISE \$50,000

Albion, Mich., January 25.—The stockholders of the Albion National Bank will be held for \$100, par value, per share, for each share of stock in the defunct Albion National Bank, according to orders received by Receiver F. L. Irwin, from Comptroller Murray Thursday morning. The order from the comptroller demands that the sum of \$50,000 be brought together by the stockholders February 23, 1912, that being one month from the date of the comptroller's notice.

WITH MODERN WEAPONS

The February Lippincott is out with a fine tale by Clinton Dangerfield, as the long story. It is titled "With Modern Weapons." It will be talked about and liked by the reader. It is quite unusual. "Charles Dickens and Women," by H. Snowden Ward, of England, who died on his lecture tour in New York, will be read by the ladies with interest. The ten short stories are by leading authors.

Gal 37—Banker—HAMLIN

Bangor, Me.—I. K. Stetson succeeds his brother, Edward Stetson, as president of the First National Bank.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

BANK STOCKS

List your bank stock with us for sale. We have hundreds on file seeking investments. Confidential. No publicity. The Russell Company, Belfield, North Dakota.

FOR SALE—Miscellaneous

1-A Reflex, focal plane shutter, Celorsix-inch lens. Cost \$84.50. Like new, \$45.00. Address, X-44, Chicago Banker.

1-A Graflex, 1C, Tessar lens, focal plane shutter (new out of stock), value, \$101.50. Sell, \$55.00 Cash. Address, X-55, Chicago Banker.

4x5 Goerz-Argo, latest model, Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$165.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale. 9 1/4-inch Goerz Dagor, Volue shutter. value \$97.50. Sell for \$50.00, like new. Six-inch Dagor, Koilos Shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.00. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR H. THAUER. This book throws up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,

407 Monadnock Block, Chicago.

BANKERS ACQUITTED

Columbus, Ohio, January 22.—The jury in the United States District Court reported a verdict yesterday by which Abraham and Jacob Kapner, the Dresden, Ohio, bankers, were declared not guilty on thirteen counts of the indictment against them, which charged violation of the national banking laws. The jury disagreed as to a fourteenth count, which charged conspiracy against the bank.

The Kapners were found guilty at a former trial, and were sentenced to terms in the penitentiary. They obtained a new trial, and the verdict of acquittal to-day on the thirteen counts, it is generally understood, will end the prosecution of the case.

Department of New Business

NORTHWEST

Rose Hill, Ill.—G. A. Haines is president, B. B. Hutton, vice-president; O. C. Hamilton, cashier, and C. W. Warren, assistant cashier of the new Bank of Rose Hill.

Claremont, Ill.—The Bank of Claremont has been organized with the following officers: J. F. Hostettler, president; I. M. Hillis, vice-president; W. C. Webster, cashier, and Roy Foster, assistant cashier.

Rockport, Ill.—Minier Brothers have opened a bank here with L. M. Smith as cashier.

Greenwood, Wis.—Farmers and Merchants Bank has been incorporated. Capital \$30,000. Incorporators are: Curtis H. Cluti, John Stanton and H. R. Schofield.

Chili, Wis.—The Chili State Bank has been incorporated with \$13,000 capital. L. A. Reichert, G. A. Ure and E. B. Behringer are interested.

Bagley, Iowa.—The Farmers Savings Bank is the title of a new bank at this place. J. W. Thompson is president, John Quayle, vice-president, and C. E. Nicols, cashier.

Cleves, Iowa.—The Cleves Savings Bank filed articles of incorporation with a capital of \$10,000.

Manchester, Iowa.—The Farmers and Merchants State Bank has been incorporated.

Grove Springs, Mo.—The State Bank of Grove Springs has been organized with \$10,000 capital. A. H. Hawkins is president.

Forsyth, Mo.—The Bank of Forsyth has been organized with a capital stock of \$15,000. N. T. Grant was elected president.

Patton, Mo.—Bank of Patton is the title of the new bank at this place.

Sturgis, S. D.—The American Exchange Bank has been chartered, capital \$25,000, by Jos. Meyer, Henry S. Butch, Jas. McNenny.

WEST

Dixon, Cal.—The Northern Solano Savings Bank has been organized here. Officers are: H. R. Timm, president; R. E. L. Stephens, vice-president, and H. L. Bissell, cashier.

Portland, Ore.—German Realty Trust Company, capital \$100,000, reports the following officers: Edward B. Halter, president; Geo. B. Mencham, vice-president, and J. W. Maye, secretary and treasurer.

Stuart, Okla.—The Stuart State Bank has been organized with \$10,000 capital. J. C. Forrester, G. A. Forrester, and J. C. Holman are interested.

Marble, Col.—The Marble City State Bank has been organized with \$15,000 capital. Wm. Dinkle, Henry Mertens, W. G. McManus, H. H. Swift, and Henry King are interested.

Hallowell, Kan.—The State Bank of Hallowell has been organized with \$10,000 capital. James H. Elliott is cashier.

Hampton, Neb.—Farmers State Bank, capital \$15,000, is being organized at this place. A. E. Siekmann, C. S. Brown and A. L. Gausman are interested.

Torrington, Wyo.—The Citizens Bank is the title of the new bank organizing here, with a capital of \$12,000. John T. Snow, president.

EAST

Wilton, Me.—The Wilton Trust and Banking Company has filed articles of incorporation. F. A. Emery is president, and F. O. Goodspeed, vice-president.

Waterville, Me.—A new bank, to be known as the Kennebec Trust Company, is soon to be formed at this place with quarters at the former rooms of the Waterville Trust Company on Common Street.

Cincinnati, Ohio.—Peurrung & Leary is the title of a new banking firm at this place. J. P. Peurrung, president, and Harry J. Leary, cashier.

Wilmington, Del.—Suteliffe & Co., Inc., obtained a charter to engage in banking, and to act as brokers.

Baltimore, Md.—Barrett & Kahler have opened a banking office in the Vickers building.

Baltimore, Md.—R. Tynes Smith, Jr., & Co., is the title of a new banking firm to be opened in the Keyser building.

Allentown, Pa.—Application has been made for the incorporation of the Ridge Avenue Deposit Bank. Capital to be \$50,000.

SOUTH

Granger, Texas.—The Farmers and Merchants State Bank has been chartered. Capital \$25,000. Incorporators are: A. E. Bampton, W. A. Hardell, and R. A. Hodges.

San Marcos, Texas.—Citizens State Bank is the title of a new bank organizing at this place with a capital of \$25,000. Incorporators and directors are: J. H. Berkley, Ed. A. Christian, J. R. Ploetz, of San Marcos, T. B. Wathen and W. W. Collier, of San Antonio. Attorney A. P. Barrett, of San Antonio.

Waco, Texas.—Brazos Valley Trust Company is being organized at this place. Capital \$500,000. Directors: F. M. Gardner, Waco, H. O. Boatwright, Bryan, I. A. Goldstein, Waco, T. F. Bush and others.

Autaugaville, Ala.—The Citizens Bank will begin business about February 15th with L. D. Hicks, president, W. L. De Bardeleben vice-president and C. D. Smith cashier.

Anniston, Ala.—The City Banking and Trust Company has been organized by the City Bank and Realty Company.

Register, Ga.—The Farmers State Bank has been organized here. F. P. Register is president and John G. Nevils vice-president.

Silver Grove, Ky.—The Bank of Silver Grove is the title of a new bank organizing at this place with a capital of \$25,000. John A. Cunningham, of Bellvue, and John A. Rawlins, of Ft. Thomas, are interested.

Nashville, Tenn.—Title Guaranty and Trust Company is organizing at this place with a capital of \$200,000. Incorporators are: J. H. Thompson, Walter Keith and J. B. Bransford.

Malone, Fla.—Bank of Malone is the title of a new bank being organized at this place with a capital of \$25,000. J. W. Malone, president; G. H. Malone, vice-president, and M. B. Solomon, cashier.

Arkansas City, Ark.—The Bank of Arkansas City is organizing here. M. W. Hardy, of Miles and Hardy, El Dorado, Ark., is interested.

CANADA

Lytton, B. C., Can.—A branch of the Bank of British North America has been opened at this place under the temporary management of J. J. Irwin.

Princeton, B. C., Can.—The Bank of Montreal has opened a branch at this place in charge of B. L. Smith.

Stockholders of the Chatham and Phenix National Bank elected the old board of directors with the exception of Adrian H. Joline, W. B. Conrad and Geo. Topping Warner, who retired. Their places were taken by Ed. P. Earle, Albert A. Tilney and Richard H. Higgins.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

TOWNLEY CULBERTSON, manager of the real estate loan department of the Commerce Trust, Kansas City, called on Chicago banking acquaintances Friday and Saturday. Hon. C. A. Samuelson, president of the Farmers Bank, Sherrard, Illinois, visited Chicago Saturday also.

HON. M. O. WILLIAMSON, former state treasurer, and now president of the Peoples Trust, Galesburg, and Frank Adams, county clerk of Knox county, were Chicago visitors Saturday.

J. A. LEWIS, cashier of the National Bank of Commerce, St. Louis, called on Chicago banking acquaintances Friday. Mr. Lewis expresses the belief that business conditions will continue this year about as they were last, and looks for a substantial improvement in business after January 1, 1913.

NELSON H. GREENE, vice-president Peoples Savings Bank and Trust Company, Moline, ran into Chicago for a brief visit Wednesday. Mr. Greene reports business as satisfactory at Moline.

A MAN who bought shares in a "mythical" company had his complaint brought before a judge named Fake, last week, just to keep his memory fresh as to the proper name of the scheme he puts his money in.

WE had a little mix-up on calendars last week in attributing a handsome New York sky-line calendar to Ellsworth at the Guaranty Trust, whereas it came from Barrett at the Guardian. Here's what the two young men have to say about it:

TO CASHIER: I always felt that your valued paper had a very large circulation, but I never fully realized it until you, in your issue of January 13th, sold our friend Ellsworth of the Guaranty Trust Company short on "Sky Lines of Manhattan." The Guardian Trust Company has supplied Mr. Ellsworth with as many calendars as he desired up to this time, but we regret that we have no more to send to our friends on account of our supply being exhausted. With kind personal regards, and hoping that I may have a call from you when you visit New York, believe me to be,

Very truly yours,

ALFRED M. BARRETT.

TO CASHIER: During the last few days I have received several requests for a "sky-line" calendar said to have been issued by our company, and was rather in the dark as to what the inquirers were driving at until I read the paragraph in the "cashiers" department of last week's CHICAGO BANKER. I am perfectly willing to accept your apology, but am not so sure about Alfred M. Barrett of the Guardian Trust, who, I am told, is the chap who is responsible for the calendar in question. With best regards, I am,

Yours very truly,

F. W. ELLSWORTH.

GEORGE M. REYNOLDS, who spoke at the chapter banquet on Saturday night, remained over especially for that purpose. It had been his intention to go to California for a two months' vacation. So far as our knowledge goes, this will be the first extended vacation which the hardworking president of Chicago's biggest bank has taken.

INQUIRIES have been frequent at this office of late as to why the 1911 proceedings book of the Illinois Bankers convention, held at Springfield last October, has not been sent out. It is not permissible for this department to try to lay the blame on any individual, but rather to charge it up to the administrative

committee of the association. If anybody is trying to put the present administration in a hole or in an awkward predicament before the membership, it ought easily be ascertained.

SO far as we know, every other state association in the Union had its proceedings out months ago. It has come to a pretty pass when the Illinois Bankers Association, with headquarters in the second largest reserve center, cannot get out a report of its conventions the same year they are held.

IT will be remembered that the conference proceedings book giving a full detailed report of the "back to the farm" meeting held at Minneapolis and St. Paul last fall, was delivered within ten days. This was the Charles R. Frost way of doing things, with the Joseph Chapman, Jr., flying wedge right behind him.

WE have heard a report, but do not believe it, that the Illinois secretary has postponed the publication of the book at the request of a certain element in the association. This could hardly be true. So far as the membership is concerned, they will look to President Harris, and to the other members of the administrative committee for its immediate publication.

IT would seem to an outsider that the sending out of circulars from the Illinois association headquarters in Chicago, requesting members to interest the local papers in the various reform movements undertaken by the state association, would suggest the advisability of placing on the mailing list the big Chicago papers, and all of the financial papers devoted to banking subjects.

IT is rather awkward for this department to be explaining to members of the association why no attention has been paid to the work of the good roads committee and other important departments, when, as a matter of fact, this paper had no knowledge of the circulars being sent out. The recent good fellowship meeting (so-called) held this week in Chicago was no exception to the general rule. Not a banking paper in Chicago, or even a daily paper, was notified of this event. That the papers resent this sort of stubborn incapacity, goes without saying. They are willing at all times to give publicity to progressive movements, especially those favored by such an important organization as the Illinois Bankers Association, and they should be given an opportunity to assist.

THIS office receives all of the published circular matter, including look-out notices, notices of frauds upon banks, and notices of work being done by important committees, from every state association headquarters in the United States except the one located in Chicago. This looks as though the Illinois Bankers Association was getting a mighty small return for the money expended upon expensive headquarters and office outfit.

CASHIER.

WOULD SAFEGUARD SAVINGS DEPOSITS

A state law which will require all state banks in Minnesota, accepting savings deposits, shall segregate them and invest them separately and distinctly from their commercial deposits would be one of the most important steps forward in the way of banking reform in the state, in the opinion of Kelsey Chase, state superintendent of banks.

The reform he suggests is aimed particularly at the country banks and those in the smaller cities, which he would place on a par with the exclusive savings banks of the Twin City. The practice now is to invest the savings and commercial deposits of these banks in exactly

the same kind of securities, though the two kinds of deposits are kept on separate ledgers. He would have the plan so changed that savings deposits could be invested only in a limited variety of securities.

While it is possible the reform will not be immediate, Mr. Chase is of the opinion it is an ultimate outcome, and that within a few years, of banking progress in Minnesota. Touching upon this reform in a speech recently, he said:

"The fact that savings departments are now being operated and advertised by most of our banks has a tendency to make the depositing public believe that banks which solicit savings deposits maintain a separate department for that purpose. This is true to the extent of keeping a separate ledger for savings deposits and carrying the deposits represented by time certificates by themselves, but it is not now nor never has been true that the savings deposits have been invested in a character of authorized securities which have been considered sufficiently good for mutual savings banks to invest their funds in.

"Banks throughout the state have their time certificates of deposits so worded that they are not obliged to pay them until the expiration of the period and those banks operating savings departments quite generally reserve the right to require notice of intention to withdraw such deposits, although the banks seldom avail themselves of this privilege.

"It is perfectly right that this reservation should be invoked, however, because the bank which is paying 3 or 4 per cent on these deposits should be permitted to invest these funds without a chance of suddenly being called on for them. However, when the funds in the savings department are mixed with those from the commercial department and all are invested in a general way, at a time of financial trouble the savings depositors might be placed at a disadvantage.

"It is possible under the existing conditions for the commercial depositor to become practically a preferred creditor, while the savings depositor awaits the expiration of his notice or until his certificate falls due. The defenseless position of the savings depositor is so apparent it seems wise to agitate the passage of a law segregating the deposits and requiring the setting aside of a sufficient amount of mortgages, bonds and other securities authorized for the investment of savings banks to equal the approximate amounts of savings deposits. Common decency demands the segregation of these deposits, the payment of which may be deferred, from those deposits which may be called on demand, so that neither class of depositors may be considered preferred creditors, and that each may stand upon its own assets.

"A difficult problem in considering a matter of this kind is the determination of the class of investments of such segregated funds. Certainly, with the added security of the capital, surplus and stockholders' double liability, the rules for investment would not need to be so stringent as those which apply to savings banks. Surely those persons who have deposited savings in our state banks of upward of \$70,000,000 are entitled to as great consideration and their deposits should be safeguarded to the same extent as the \$25,000,000 of savings deposits in the mutual banks."

BANKS MERGED

Wellington, Ohio, January 23.—This morning the Home Savings Bank of this place was absorbed by the First National Bank. The combined banks will have over \$1,000,000 deposits.

The State Bank at Lanesboro, Minn., has opened its doors for business.

ALL BRANCHES OF BANKING



1857

1912

ORSON SMITH	-	-	President	P. C. PETERSON	Assistant Cashier
EDMUND D. HULBERT,	-	-	Vice-President	C. E. ESTES	-
FRANK G. NELSON	-	-	Vice-President	LEON L. LOEHR	Sec'y and Trust Officer
JOHN E. BLUNT, Jr.	-	-	Vice-President	F. W. THOMPSON,	Mgr. Farm Loan Dep't
J. G. ORCHARD	-	-	Cashier	H. G. P. DEANS	-
				Mgr. Foreign Dep't	

CAPITAL AND SURPLUS - \$9,000,000



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

THE NATIONAL CITY BANK OF CHICAGO

Capital, Surplus and Undivided Profits \$ 2,500,000.00

Resources - - - - 29,300,000.00

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ALFRED L. BAKER	-	-	DAVID R. FORGAN, President	
H. E. OTTE	-	-	Vice-President	HENRY MEYER
F. A. CRANDALL	-	-	Vice-President	A. W. MORTON
L. H. GRIMME	-	-	Vice-President	W. M. N. JARNAGIN
W. T. PERKINS	-	-	Assistant Cashier	WALKER G. McLAURY
W. D. DICKEY	-	-	Assistant Cashier	R. U. LANSING
				Manager Bond Dept.
				M. K. BAKER
				Asst. Manager Bond Dept.

Fourth Street National Bank OF PHILADELPHIA

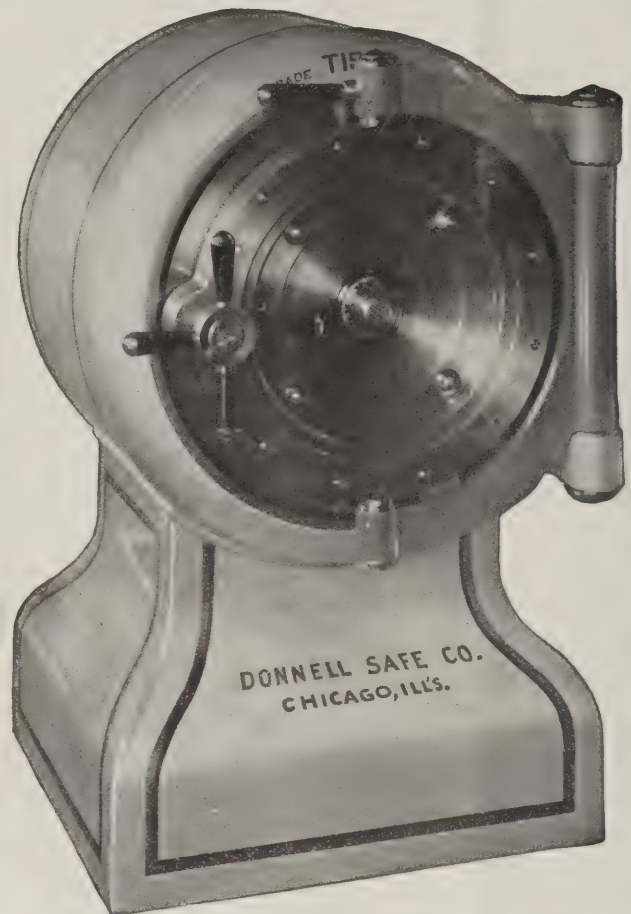
Capital - - \$3,000,000.00

Surplus and Profits 650,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board	
E. F. SHANBACKER, President	FRANK G. ROGERS, Vice-President
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Donnell Safe Co.



General Western Agents for the York Safe & Lock Co., who have the best-equipped safe factory in America. Their Manganese safes are superior to any in the market. We sell these safes subject to a test against any Manganese safe made and will guarantee all our work equal, if not superior, to any made. We can refer you to any banker in Chicago. We carry the largest stock of bank safes in Chicago. Burglar vault doors, vault linings, burglar safes that have been used always on hand. A large lot of second-hand deposit boxes that are modern and good as new.

227-229 Washington St., Chicago, Illinois

The Girard National Bank OF PHILADELPHIA

Capital - - \$2,000,000.00

Surplus and Profits 4,585,000.00

Deposits - - 40,000,000.00

FRANCIS B. REEVES, President

RICHARD L. AUSTIN
Vice-President

JOSEPH WAYNE, Jr.
Cashier

THEO. E. WIEDERSHEIM
Second Vice-President

CHARLES M. ASHTON
Asst. Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

FEBRUARY 3, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

C. L. Maxwell

C. L. Maxwell, cashier Citizens State Bank, Champaign, Ill., visited Chicago Thursday. Mr. Maxwell is an enthusiastic organization man, and reports that the county meeting of bankers held at Champaign on Monday evening, January 29th, was a great success. Fifty-three bankers were present and 75 per cent of the out-lying banks of the county were represented. Two of the five non-member banks joined the association at the meeting, which was considered a great success.

J. B. FORGAN ON BANK EARNINGS

In an address at the annual dinner of the officers and other employees of the First National and the First Trust and Savings, James B. Forgan, the president, gave information concerning the earnings of the two institutions in the last ten years and the disposition of them. He said that, in that period, the amount paid to the stockholders in cash dividends was \$10,960,000, and the amount accumulated for them as surplus and undivided profits was \$10,079,170. These figures include the capital, surplus and undivided profits of the First Trust, all of which are accumulated earnings.

In the ten years \$7,249,859 has been paid in salaries to the employees of the banks, the amount being equivalent to 66 per cent of the amount paid to the stockholders in dividends and 34.4 per cent of the total cash dividends and accumulated profits.

The average salary paid to clerks in 1902 was \$819 a year. The average in 1911 was \$1,033, an increase of 26 per cent. The average salary of officers has not changed.

During the ten-year period the bank's pension fund for the employees was built up. It now has invested \$1,000,000 and has paid in pensions \$156,879.

NEW CONTINENTAL AND COMMERCIAL SITE

Record was made on Monday of all the deeds by which the Continental and Commercial National Bank acquired the fee simple in the block bounded by La Salle, Adams, and Quincy streets and Fifth Avenue, which is to form the site of its new \$7,000,000 bank and office building. The ground, buildings and leases have cost \$3,500,000, which will bring the new bank building up to well above ten millions in cost.

INCREASE IN CHICAGO CLEARINGS

Bank clearings in Chicago in January reached a total of \$1,252,985,283. This amount is \$106,597,602, or 9.3 per cent, larger than the clearings in the corresponding month of 1911. It compares also with \$1,160,916,011 in 1910 and with \$1,122,588,697 in 1909.

So far as the bank clearings are representative of business conditions, the figures for the last month show a gain. It is to be remembered, too, that several small bank consolidations since a year ago have tended to diminish, rather than expand, the volume of clearings.

Bankers in the Public Eye



To the left is James T. Joyce, the new president of the Wisconsin Association. He also is vice-president of the A. B. A. for his state, and vice-president of the Union National, at Eau Claire. Has been very active in organization matters.



To the right is William C. White, the new president of the Illinois National, at Peoria, Illinois. Is destined to be a factor in the banking and commercial affairs of this state and in the state association.

NEW CHICAGO BOND FIRM

Paul W. Chapman and A. Lawrence Mills, Jr., after active association since 1899 with the bond organization of the Harris Trust and Savings Bank and N. W. Harris & Co., have organized the investment banking house of Chapman, Mills & Co. The new firm will not act as brokers, but will buy and sell bonds only for its own account, specializing in government, municipal, railroad and public service corporation issues. The firm will probably have its offices in the Harris Trust building, and will be ready for business about March 1st.

DEATH OF JOLIET BANKER

George H. Munroe died on Thursday at Daytona, Fla. He was a former state legislator, banker, and real estate man of Joliet. He took prominent part in all progressive measures in the city and Desplaines river valley; one of his greatest desires was the consummation of the lakes-to-the-gulf deep waterway movement, of which he was treasurer.

NEW YORK TO MEET AT BUFFALO

Secretary W. J. Henry has announced the New York convention for Buffalo June 14th and 15th. Headquarters will be at the Lafayette. Illinois doesn't feel like announcing her 1912 dates until the 1911 proceedings book gets out.

WHAT TO DO WITH BAD MONEY

Banks which return bad bills to customers for credit instead of destroying them are to be held responsible by the United States government. The law is plain.

Orders that bankers and business men who continue in circulation spurious money they receive should be prosecuted as accomplices in counterfeiting have been sent out from Washington. The Chicago orders were immediately followed by the arrest of Barney Silverman of 1823 South State Street, a grocer accused of passing a counterfeit silver dollar on Bertha Toback of 1829 Archer Avenue, a 10-year-old girl.

"Business men and bankers, many of them prominent, often try to get rid of counterfeits they take in," said Captain Porter. "Hereafter they will be treated as though they were actual makers of spurious money."

MID-CITY TRUST ELECTS PRESIDENT

E. V. Bacharach was elected vice-president of the Mid-City Trust and Savings Bank at a meeting of the board of directors Thursday. Mr. Bacharach has been connected with the Corn Exchange National Bank for twenty-four years as chief auditor.

D. R. Forgan, who has returned from Duluth, says that bankers there report collections better than a year ago.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$500,000

JOHN JAY ABBOTT
Vice-President

GEO. B. CALDWELL
Vice-President

Officers
GEORGE M. REYNOLDS, President
CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
Circulars on application

105 South La Salle Street

CHICAGO

WEIL, ROTH & CO.

CINCINNATI and CHICAGO

Municipal BONDS Netting 3.80 to 5.50%

Corporation BONDS Netting 5 to 6%

Short or Long Maturities

INQUIRE FOR LIST OF OUR HOLDINGS

115 South La Salle Street

CHICAGO

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital - \$2,000,000
Surplus - 500,000
Deposits - 24,000,000

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
THOMAS E. NEWCOMER, Asst. Cashier
HARRY LAWTON, Manager Foreign Department

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....\$ 9,887,954.84
February 5, 1909.....11,617,691.24
March 29, 1910.....15,041,357.21
January 7, 1911.....16,736,997.29
March 7, 1911.....21,574,956.79
June 7, 1911.....23,137,746.88
September 1, 1911.....24,500,075.82

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Drovers Deposit National Bank

OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-eight years rendered Efficient and Quick Service to its Correspondents

Resources, Nine Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER



Mainly About Banks and Bankers

YOUR attention is directed to an article in this issue, which describes the situation in Illinois, so far as the agitation for state supervision of all banking institutions is concerned, and to another giving the legal aspects of the matter. On the editorial page will be found a reference to the new Colorado law, which has been quite effective in driving from that state all forms of "wild-cat" institutions.

ST. PAUL PIONEER PRESS reproduces the picture of the Farmers National at Owatonna, Minn., called the "architectural shrine," and also the picture of the Peoples Savings Bank at Cedar Rapids, Ia., which it denominates the "Mecca for architectural pilgrims." After looking at the reproductions, one is convinced that Architect Sullivan, after drawing the plans for one of the buildings, simply turned them upside-down and used them for the other institution. Both of them are very expensive structures, fitted up and finished in the very latest modern style. To say that they are peculiar is not putting it too strongly. Some people have been unkind enough to call them freaks.

A RECENT issue of the Spokesman-Review, published at Spokane, devotes an editorial to "The Notable Record of a Spokane Financial Institution." It refers to the first twenty years of the life of the Old National Bank.

THE bank was started in 1892, when Spokane had 23,000 inhabitants, with deposits of \$100,000; to-day its deposits are around nine millions, whereas the population of the city has increased to 104,000. The percentage of gain, of course, is very largely with the bank. Much of the growth of the Old National is to be attributed to the wonderful development of the great Northwest. It started out in the early days to be a conservative bank in a new community. At the first this may not have been attractive; in the end it has been a winner. Concluding its splendid article, the Spokesman-Review says: "Competent, honest and sane banking is the standard for the bankers of the Inland Empire to aim at."

HOW many of us remember Alfred H. Curtis, president of the National Bank of North America, New York, which was forced to go out of business at the time the government began its prosecution against Morse, who has just been pardoned by President Taft? His was a most unusual and attractive personality. His honesty in banking was never questioned; his ability was admitted. He conclusively proved his fidelity when, during the trial of Mr. Morse, he refused all overtures of the government to become its witness and turn against Morse, for which refusal he suffered every conceivable persecution and privation. He secured, however, the admiration of Prosecutor Stimson, now secretary of war, and Judge Hough, who tried the case, so that the former asked and the latter granted a suspension of sentence against Curtis.

ALL of his friends will be glad to know that Mr. Curtis is now back in his old home and re-established in sound financial condition. As a mark of confidence, he quite recently was appointed executor for a two-million-dollar estate. Write him a letter and tell him that what you have just read pleases you.

IT will be a year or more before the Irving National Exchange of New York will get into its new home in the fifty-five story Woolworth building. The banking room will include ample space. The new building occupies an entire block on Broadway opposite the postoffice, extending from Barclay Street to Park Place. The building is but five blocks from where the bank now is.

PRESIDENT LEWIS E. PIERSON, in his notice to stockholders, states that the new quarters will enable the bank "to further develop that close personal relationship which we always have desired with our customers, whether their business be large or small."

FOR the year 1911 the Irving had net profits of \$369,540.48, which, after paying dividends, left for the undivided profit account \$209,540.48. This statement and a summary of the condition of the bank are made public over the signature of a large firm of chartered accountants. President Pierson believes in publicity as well as in advanced banking ideas.

B. W. MOSER, chairman of the press and publicity committee of the American Institute of Banking, is undertaking a most valuable work for that sterling organization. It is his intention to have chapter men furnish for publication in the financial newspapers articles on subjects of interest to men in the banking business. He cites the fact, which is well known to the publishers of financial papers, that the Institute numbers among its members many who are qualified to write on such subjects as accounting, auditing, shortcuts, expert systems and analysis of accounts.

MR. MOSER points out that these articles can be both practical and theoretical, and there is little doubt that his efforts in the matter will be greatly appreciated by the financial papers to whom he has addressed his proposal.

RUMOR had it that the California Bankers Association was about to start the publication of an association journal. This has been very indignantly denied by those in authority. M. C. Doyle of the "Coast Banker," says "nothing to it." Each year the executive council of the California association sets aside a fund for the publication of its bulletins concerning protective work, calling attention to bank crooks, and to other activities of the association. It does not believe in alienating the friendship and support of the regular standard publications.

KANKAKEE county is entitled to a banner, so far as forming a county organization under the patronage of the Illinois Bankers Association is concerned. At a meeting held in Kankakee on Saturday night, every one of

the twenty-three banks in the county was represented. There were eighty-three actual bankers present.

MAYOR C. E. BRADT of DeKalb, who is at the head of the committee on county organization, was present and addressed the meeting, inciting great enthusiasm for the work.

F. M. LOCKWOOD, ex-treasurer of the association, was chairman of the committee to organize the county, and was assisted by A. M. Shoven. That they did their work in a forceful and effective manner is shown by the result.

THE following officers were elected: C. R. Miller, of Kankakee, president; Fred LaRocque, of Manteno, first vice-president; Fred Mann, of Kankakee, second vice-president; O. T. Olsen, of Herscher, secretary and treasurer. Executive committee, Charles Rayhorn, of Grant Park, E. C. Curtis, of Grant Park, H. J. Legris, of Kankakee, J. J. Kirby of Mokenza, and A. B. Trudeau, of Manteno.

OUR old friend, George Harvey, has a spirited article in Harper's Weekly this week entitled "Roosevelt and Mr. Taft." Had he devoted this space to "Watterson and Mr. Wilson," he could have been much more interesting.

THE opening of the new ten-story steel construction Hotel Jefferson, at Peoria, will occur Tuesday evening, February 6th. A party made up of Chicago bankers, railroad officials, hotel and newspaper men will go down by way of the Rock Island lines in a special car arranged for by W. J. Leahy, general passenger agent, who will accompany the party.

THE owners of the Jefferson, Hull, and Lehmann have secured the services of Horace Wiggins as manager. Mr. Wiggins was for many years the manager of the Leland at Springfield, and has recently resigned as manager of the Lexington Hotel, this city, to go to the Jefferson.

AMERICAN ingenuity has seized upon the motor truck for further expression of its remarkable versatility. It is constantly producing new and interesting forms of special purpose power vehicles for the most diversified uses, adapting them to the particular conditions that affect every line of business that has need for much hauling or delivery work.

A PUBLISHER gets every angle of view so cleverly as does President F. S. Lusk, First National, Missoula, Mont. His state elected him to represent it in the American Bankers Association, and we wrote him for his picture to go in our "Rogues Gallery," as Burns would call it. Here is the Lusk effusion:

"YOU are a good jollier, all right, but I don't think you need my picture. The banks are supporting entirely too many publications, as I see it.

(Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President

CHICAGO

RALPH N. BALLOU, Cashier
H. B. AHRENSFELD, Asst. Cashier



REMITTS

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

JOHN A. LYNCH, President	W. T. FENTON, Vice-President
K. M. McKINNEY, Cashier	O. H. SWAN, Asst. Cashier
JAMES M. HURST, Asst. Cashier	WM. B. LAVINIA, Asst. Cashier
W. H. HURLEY, Asst. Cashier	WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.	

THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-eight years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$116,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-President	R. F. NEWHALL, Assistant Cashier
JOHN F. HAGEY, Assistant Cashier	G. H. DUNSCOMB, Assistant Cashier

FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE	CAPITAL - \$3,000,000.00
	SURPLUS - 5,000,000.00
	UNDIV. PROF. 750,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President	FRANK W. SMITH, Cashier
CHARLES L. HUTCHINSON, Vice-President	JOHN C. NEELY, Secretary
D. A. MOULTON, Vice-President	J. E. MAASS, Assistant Cashier
CHAUNCEY J. BLAIR, Vice-President	JAMES G. WAKEFIELD, Assistant Cashier
B. C. SAMMONS, Vice-President	LEWIS E. GARY, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

DIRECTORS		
Charles H. Wacker	Charles H. Hulburd	Martin A. Ryerson
Clarence Buckingham	Edwin G. Foreman	Benjamin Carpenter
Edward A. Shedd	Frederick W. Crosby	Charles L. Hutchinson
Edward B. Butler	Chauncey J. Blair	Watson F. Blair
	Ernest A. Hamill	Clyde M. Carr

Why Should Anyone Burden His Friends

with the care of his estate and also expose it to the risks of individual trusteeship, when he can name a responsible Trust Company an unfailing executor and trustee?

This Company has wide investing experience, a permanent organization, ample capital, and highly specialized facilities for many sided service. No individual is in a position to afford as extensive protection.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

DIRECTORS		
A. C. BARTLETT	MARVIN HUGHITT	ALBERT A. SPRAGUE
WILLIAM A. FULLER	CHARLES L. HUTCHINSON	SOLOMON A. SMITH
ERNEST A. HAMILL	MARTIN A. RYERSON	BYRON L. SMITH

THE NATURE OF OUR BUSINESS INSURES **STABILITY**

OUR MODERATE SIZE GUARANTEES INDIVIDUAL **SERVICE**

THE IMPARTIAL ATTENTION GIVEN EVERY CUSTOMER— **SATISFACTION**

YOUR BUSINESS WOULD BE
WELCOMED AND VALUED BY

THE LIVE STOCK EXCHANGE NATIONAL BANK OF CHICAGO

State Supervision an Issue in Illinois

The negative vote of the executive council of the Illinois Bankers Association on Wednesday of last week, at the Blackstone, has raised a state-wide issue. There were enough private bankers present, together with their business and political allies, to poll two more votes than were polled by the advocates of state supervision. Many representatives of organized banks failed to get their votes recorded, but the defeat has raised the issue, according to the Chicago Tribune, as to where the state association as a body really stands upon bank supervision. The following editorials from Chicago's leading papers tell their own story. The first one is from the Record-Herald:

"Private Bank" Regulation Needed

It is to be regretted that the executive council of the Illinois Bankers Association defeated a resolution offered by B. F. Harris, president of the association, for the creation of a committee to consider the advisability of putting private banks under reasonable state supervision.

Illinois is one of the four states that permit anyone to hang out the sign "Bank," and receive thereby deposits from the public. There are individuals and firms in the state that do a perfectly sound business under this privilege; there are others that do an unsound business, especially among immigrants, and injure society by losing the money of very poor and alien depositors. Why should not the reputable and conscientious private bankers accept fair state regulation for the purpose of driving the irresponsible "banks" out of business?

The common good demands such regulation, and the welfare of sound private banks would be enhanced by the guarantee of their stability furnished by state inspection, as well as by the suppression of the unsound private banks. It is a reproach to the public morality of Illinois that crookedness should be allowed to flourish behind the "bank" sign.

The Tribune raises a question, which President B. F. Harris has answered. That influential paper wants to know why private bankers object to supervision and "where does the Illinois Bankers Association stand on this question?" The Tribune Editorial reads:

Responsible Banking

The executive committee of the Illinois Bankers Association by a vote of 13 to 11 defeated a proposal to introduce a bill bringing all banks under supervision. As all but private banks are now under supervision, the meaning of this proposal is clear.

But it is not clear how any reputable asso-

ciation or its representatives dare defeat such a proposition.

Why should private banks be immune from supervision any more than state or national banks?

Why do they object to supervision?

As a matter of fact, the private banks need supervision or they would not fight it. It was intimated that a number would go to the wall if supervision was forced upon them. All the more reason for forcing it, and the quicker the better.

It is said the private banks have much influence with legislators. But surely the Illinois Bankers Association should be able to counteract that unless they stand for irresponsible banking.

Where does this association stand on this question?

What the Examiner Says

"The proposal to appoint a committee to draft a bill bringing private banks under inspection was finally defeated by a vote of 13 to 11. President Harris declared after the meeting that the bankers favoring the measure would carry the fight on as individuals before the legislature. Had not two Chicago state and national bankers voted with the private bankers the result would have been reversed.

"Under our present laws," said Mr. Harris, "any one can open an office, call it a bank and begin taking deposits, absolutely without any requirements on the part of the state as to character, experience or capital. There have been hideous examples of small fraudulent private banks preying on ignorant foreigners and others right here in Chicago, and it is high time that the state should step in and put some restrictions on who shall be permitted to start a bank, and on how the business shall be conducted. Bankers should take a united front in favor of state inspection of all banks, whether they are incorporated or not. These conditions must be corrected and it is better for the bankers to draft their own bill and present it to the legislature with their united support than to leave this most important matter to the work of unskilled hands."

Lay Papers in the Fight

Even the Drovers and Feeders Journal, a big stockyards daily, has come out in the interests of the depositors, whom it thinks ought to be considered chiefly. One good point it makes is that "bank supervision is not a radical move, as its opponents claim, but rather is a conservative one." The D. and F. Journal believes supervision would "benefit and strengthen the entire banking situation."

This paper cautions the bankers that "vot-

ing against state control over private banking institutions is an action, which hardly tends to strengthen public confidence," which really is the most valuable asset in the banking field.

Harris Replies to Tribune Query

B. F. Harris, president of the Illinois Bankers Association, wrote a letter to the Tribune from his home in Champaign, setting forth the status of the demand for state supervision of private banks, and answering the Tribune's inquiry as to where the Illinois bankers stood. Mr. Harris says:

"I note your editorial in the Tribune headed 'Responsible Banking,' and, while I do not believe in families or associations thrashing out their differences in the public press, yet, now that the attitude of the executive council of the Illinois Bankers Association has gotten widely into print, and because the public has a right to be informed on vital quasi-public business, such as is banking, and in justice to the association, I feel constrained to make a statement on the subject.

"I would especially answer your pertinent question, 'Where does this association stand on this question?' meaning the question of supervision of banks in Illinois.

Favored by Large Majority

"You may be sure that, as president of the Illinois Bankers Association, I would not have forced the issue before the executive council of the association of bringing all banks in this state under supervision, nor attempt, without specific authority, to state the sentiment of a large majority of our 1,572 member banks (136 additional banks are not members) if I were not certain I was expressing their desires.

"As a matter of fact, more than two-thirds of the member banks of this association are supervised state and national banks and it is therefore patent to any one that they would urge supervision of all banks if only for selfish reasons, though bankers who voluntarily submit to organization and supervision can hardly be said to be selfish in that respect.

"Then, too, some months ago in answer to written requests on the subject, with a copy of my Cairo convention bank supervision address inclosed, more than half the banks responded—80 per cent of them being favorable to the supervision of all banks and 30 per cent of the private banks responding also were favorable.

Deprecates Action of Council

"These facts together with numberless others, and my close association with our members, warrant me in saying that the ac-

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tion of the executive council did not represent the wishes of the Illinois Bankers Association and that a wholesome majority of this association is in favor of a first-class bank regulating and supervising law such as has every state in the Union excepting only four.

"In justice to some of our worthy private bankers it should be said we are entirely safe in presuming they may be sound and solvent, but some of them fight supervision on the personal rights theory, feeling that they or any one has a right to go into the banking business, just as they have a similar right to go into the grocery business; yet hardly that, for the pure food laws would limit them there as, in fact, laws now properly limit and supervise all public necessities.

Public Has Right to Know

"Many of them therefore may be credited as being conscientious and financially sound, but not abreast of the times in knowledge of the fact that the banking business differs from ordinary business in that it is not simply the business of the individual but is the business of the public, and therefore the public has a right to know who operates, and under what conditions the bank is operated.

"Many of us in all public and private capacities are laboring or inactive in mistaken standpat policies, and if later day tendencies have demonstrated anything they have demonstrated these two facts, viz.:

"First, that standing pat as a policy or principle (excepting on a few cardinal virtues) is not a policy at all and cannot be justified, for, as has been said, 'there is no permanency, but change,' and the man who stands pat because his father did does not stand where his father stood.

States a Strong Point

"The other demonstrated fact, and a sequenc to the former, is that representative, progressive leadership, abreast of the times, is properly expected, and will soon be demanded of every executive. He must obey public opinion, and in some cases he may properly help in its making or shaping.

"Bankers are naturally and properly conservative in some of their work, but this very conservatism should speak for supervision and all that makes for better banking, for what is best for the public is best for the banker.

"I am certain, therefore, that I am not wrong in any of my views or premises or in my efforts to serve both the Illinois Bankers Association and the citizens of Illinois at one and the same time. I know that the Illinois Bankers Association is for bank supervision if for no other reason than that it is right."

What Chicago Daily News Says

The Chicago Daily News has given the firmest of support to bank supervision during its entire history. It has come forcibly to the support of President B. F. Harris in his effort to have banking in Illinois put upon a sounder basis. The Daily News believes that "state supervision of all forms of banking business in Illinois must come." Following is its editorial position on the subject:

Supervision of Private Banks

Illinois is one of the few states in the Union that permits private banks to transact their business without supervision or inspection of any kind. This state has a good law under which banking institutions may incorporate. The concerns organized under that law stand deservedly high. Some of the private banks, too, are excellent. But there is no guaranty that all the private banks follow sound principles in the conduct of their business. Indeed, it is well known that some do not. Chicago has had examples in plenty of rotten banking by concerns that called themselves private banks.

B. F. Harris of Champaign, the progressive president of the Illinois Bankers Association, says: "Under our present laws any one can open an office, call it a bank and begin taking deposits, absolutely without any requirements on the part of the state as to character, experience or capital. There have been hideous examples of small fraudulent private banks preying on ignorant foreigners and others right here in Chicago." He says further: "Bankers should take a united stand in favor of state inspection of all banks, whether they are in incorporated or not. These conditions must be corrected, and it is better for the bankers to draft their own bill and present it to the legislature with their united support than to leave this most important matter to the work of unskilled hands."

It seems almost incredible that a body of men as intelligent as bankers are supposed to be has taken issue with this sound position. Yet by a vote of 13 to 11 the executive council of the Illinois Bankers Association has rejected a motion to authorize the appointment of a committee to draft a bill embodying the

idea of state supervision of private banks for presentation to the next meeting of the association.

State supervision of all concerns purporting to do a banking business in Illinois must come. If the bankers' state organization will not follow the wise recommendation of its president and take the initiative in proposing legislation of this sort, then representatives of broader public interests must secure the necessary law.

Follow-up by the Tribune

The Chicago Tribune follows up its first editorial by another equally as strong. It says:

The Bankers on Supervision

In prompt response to an editorial in The Tribune, B. F. Harris, president of the Illinois Bankers Association, writes to say that the vote of 13 to 11 by which the executive council defeated a proposal for a bill to supervise all banking institutions does not express the opinion of the majority of the association.

The Bankers Association includes all but 136 of the banks in Illinois, or 1,572 banks. More than two-thirds already are under supervision, and Mr. Harris declares that many of the private banks favor it. There should therefore be no difficulty in obtaining the official support of the association for the needed legislation. Since the executive council vote is not representative it should not be conclusive.

Sound private banks will not object to supervision on a mere theory that they are private enterprises, and the next session of the legislature should hear emphatically from the banking fraternity on behalf of extending supervision to the whole field of banking. If this is done the bill will be passed.

VISITING BANKERS IN CHICAGO

Among the out-of-town bankers in Chicago the past week were: Sol. Wexler, of New Orleans; Jas. E. Hamilton, of Cedar Rapids; Harry Roberts, of the First National of Black River Falls; Mr. Higgins, the newly elected vice-president of the Chatham-Phenix Bank of New York; O. B. Gorin, president of the Millikan National of Decatur; B. A. Cummins, vice-president of the First National at Pierre, S. D.; W. L. Cheney and Mr. Elser of the Second Ward Savings, Milwaukee; J. T. Joyce, vice-president of the Union National of Eau Claire, and president of the Wisconsin Bankers Association, and Mr. Farmer of the Bank of Sioux Rapids, Ia.; J. Y. Whiteman of the First National of Biggsville, Ill., John Olson of the First National of Forest City and J. H. Ingwersen, president of the Peoples Trust at Clinton, both of Iowa, are also numbered among the visitors in Chicago this week.

Buffalo, N. Y.—At the annual meeting of the stockholders of the German-American Bank, an increase of the stock of the bank was authorized from \$300,000, its present capital, to \$500,000.

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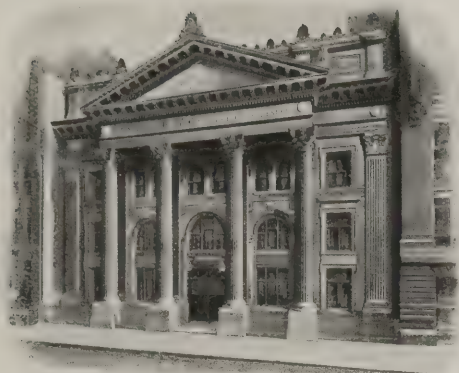
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Right of State to Prohibit or Regulate Private Banking

To what extent may the law-making power of the state go in regulating the banking business? Undoubtedly the legislature may regulate banking, but may it prohibit persons from engaging in that business, or is the right to employ one's capital and efforts in the banking business an inherent privilege of which the citizen cannot be deprived? These are questions which immediately present themselves upon taking up the preliminaries in the course of study in the banking law.

The right of banking, in all its departments, at common law, belonged to the individual citizen, and could be exercised at pleasure. Bank of Augusta v. Earle, 13 Pet. (U. S.) 519, 10 L. Ed. 274; State v. Richcreek, 167 Ind. 217, 77 N. E. Rep. 1005, 5 L. R. A. N. S. 874; Marymont v. Nevada State Banking Board (Nev.), 111 Pac Rep. 295.

The question whether a state can prohibit individuals from transacting a banking business, except through the medium of a corporation, in other words, whether a state can convert the right of banking, which at common law was a natural right, into a franchise, is a matter which cannot be regarded as definitely settled by the courts.

There are not many decisions on the question, but what few there are seem to be in irreconcilable conflict.

According to some of the modern authorities, the right of banking is not a franchise in any sense of the word. They hold that it belongs to the citizens generally, and is a common right, in the same sense that the right to do a grocery or a dry goods business is available to all citizens, that no grant from the state is necessary, and that any individual or group of individuals may, under such po-

An exhaustive review of the subject by John Edson Brady, of the New York Bar, in a course of study conducted for the Banking Law Journal on Regulation and Control of Banks:

1. Right to Engage in the Banking Business.
2. Right to Prohibit Private Banking both denied and upheld.
3. State Control of Private and Incorporated Banks.
4. What Corporations May Exercise Banking Functions.

lice regulations as the state may legally make, engage in the banking business at will. Bank of California v. San Francisco, 142 Cal. 276, 75 Pac. Rep. 832, 64 L. R. A. 418.

According to other authorities private bank-

ing may be absolutely prohibited. These authorities are based upon two grounds: first, that the prohibiting of private banking is not really prohibition, but merely regulation; second, that the state may prohibit private banking under its police power.

The Right to Prohibit Private Banking Denied

In State v. Scougal, 3 S. D. 55, 51 N. W. Rep. 858 15 L. R. A. 477, the right of the state to prohibit private banking was denied. The statute in question, which specifically denied to individuals the right to exercise the banking functions of discounting and negotiating promissory notes, bills of exchange and other evidences of debt, receiving deposits, buying and selling exchange, and loaning money on personal security, and confined such rights exclusively to corporations, was in violation of the provision of the state Constitution, declaring that no law shall be passed granting to any citizen, class of citizens, or corporations, privileges or immunities which shall not equally belong to all citizens or corporations. The statute was also held to violate other provisions of the state Constitution and the Federal Constitution. The decision in this case rests upon the fundamental proposition that the state has no power to make the business of banking, other than the privilege of issuing bills to circulate as money, a franchise, 5 L. R. A. 876.

The legislature of Nevada enacted a statute in 1909 (Laws 1908-09, chap. 191) which provided that it should be unlawful for any partnership or individual to engage in the banking business except by means of a corporation duly organized for that purpose under the

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laws of the state. J. Marymont petitioned for a writ of mandamus to compel the State Banking Board to issue a license permitting him to engage as an individual in the banking business. The question presented was whether ordinary banking by individuals may be prohibited by statutory enactment, while corporations are allowed and authorized to conduct this business. It was held that the statute in question was invalid because in violation of the constitutional provisions asserting rights to liberty, property and happiness and guaranteeing due process of law. This was the case of Marymont v. Nevada State Banking Board (Nev.), 111 Pac. Rep. 295. The court referred to the decision of the United States Supreme Court in Lochner v. New York, 198 U. S. 45, 49 L. Ed. 937, wherein a New York statute, limiting employment in bakeries to 60 hours a week and 10 hours a day, was held an arbitrary interference with the freedom of the individual to contract, and the court observed: "If the legislature of the state of New York cannot prohibit individuals from following the baking business more than 10 hours per day, we are unable to perceive how the legislature in this state can entirely prohibit individuals from following the banking business. Although the latter avocation is more importantly connected with the arteries of trade, both are beneficial and for the public benefit, as well as for the profit of the persons who engage in these avocations, and both are subject to all necessary regulations."

The Right to Prohibit Private Banking Upheld

The first decision in which the right of a state to prohibit banking by private individuals is upheld is State v. Woodmansee, 1 N. D. 246, 46 N. W. Rep. 970, 11 L. R. A. 420. This case concedes that the right of banking is not in its nature a corporate franchise, but says that it may be made such by legislation, and that individuals may be prohibited from transacting it either altogether in all its departments or partially in any specified ones. The right thus to prohibit private banking is

sustained as a proper exercise of the police power of the state. In this connection the court said: "As a matter of precedent and authority, the legislative prerogative, in the exercise of its police power in promoting the public safety, not only to regulate and restrict the business of banking, but also to grant the right to one class and to prohibit to others, or even to forbid it altogether, has never been questioned in the courts; and the legislatures of other states have frequently exercised the right of supreme control over the business."

Weed v. Bergh, 141 Wis. 569, 124 N. W. Rep. 664, 25 L. R. A. U. S. 1217, was an action by a private banking partnership against the banking commissioner and the district attorney of Waupaca county, Wisconsin, to restrain them from enforcing chap. 285, laws of 1909, requiring all private banking concerns to incorporate, on the ground that law was unconstitutional. Plaintiffs set forth they had been in business for years; they had on deposit as private bankers upwards of \$250,000, and had loaned out over \$200,000 on first class securities. They further stated that they had successfully passed through the panics of 1893 and 1907, and had the respect and confidence of the community. The statute, of which the plaintiffs complained, required them to incorporate within three months after its passage, or be deemed guilty of a misdemeanor, punishable by fine or imprisonment, or both. They claimed that they could not obey the statute without a ruinous sacrifice of property. The constitutionality of the statute was upheld by the court on the theory that it was regulation and not prohibition. In enacting the statute the legislature said: "If you wish

to engage in this quasi public business of banking, you must first secure a corporate charter." It did not say: "You must not engage in the banking business at all."

The Supreme Court of the United States has held that private banking may be prohibited. In Shallenberger v. First National Bank, 31 Sup. Ct. Rep. 189, 28 B. L. J. 214, reversing the same case, 172 Fed. Rep. 999, 27 B. L. J. 33, it was decided that the Nebraska statute, Laws 1909, Chap. 10, p. 66, prohibiting individuals from engaging in the banking business except through the medium of a corporation, and then only upon condition that each corporation contribute to a depositor's guaranty fund, to be used in the payment of the claims of depositors of banks thereafter becoming insolvent, was held constitutional. This statute, it will be noticed, not only prohibited private banking but also created a guaranty fund to which all banks were required to contribute. However, the case stands for the proposition that private banking may be prohibited. In the opinion in the case of Noble State Bank v. Haskell, 31 Sup. Ct. Rep. 186, 28 B. L. J. 211, on the authority of which the Shallenberger case was decided, Mr. Justice Holmes, on the question of prohibiting private banking, said: "The question that we have decided (the right to compel banks to contribute to a guaranty fund) is not much helped by propounding the further one, whether the right to engage in banking is or can be made a franchise. But as the latter question has some bearing on the former, and as it will have to be considered in the following cases, if not here, we will dispose of it now. It is not answered by citing authorities for the existence of the right at common law. There are many things that a man might do at common law that the states may forbid. He might embezzle until a statute cut down his liberty. We cannot say that the public interests to which we have adverted, and others, are not sufficient to warrant the state in taking the whole business of banking under its control. On the contrary, we are of the opinion that it may go on from regulation to

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prohibition except upon such conditions as it may prescribe. In short, when the Oklahoma legislature declares by implication that free banking is a public danger, and that incorporation, inspection, and the above described co-operation are necessary safeguards, this court certainly cannot say that it is wrong."

One argument which has been used against statutes prohibiting banking except by means of a corporation is this: If the legislature can prohibit the individual from engaging in the banking business, it is evident that it may also prohibit corporations from engaging in the business; for a corporation, which is merely a creature of the law, can have no greater fundamental rights than the individual, and, indeed, can have only such rights as are bestowed upon it by the state. Therefore, if both the individual and the corporation may be prohibited, this business, so essential to the carrying on of commerce and trade, and so necessary to the welfare of the state, may be entirely suppressed. *Marymont v. National State Banking Board* (Nev.), 111 Pac. Rep. 295.

The contention is frivolous. It loses sight of the fact that there is a wide difference between a statute which limits banking to corporations and one which absolutely prohibits banking. The one is a regulation, made for the general good of the community, the other a nonsensical prohibition which no court could sustain providing there could be found a legislature reckless enough to enact it.

Summing up the situation, it can only be said that in South Dakota and Nevada the law-making body may not prohibit private banking, while in North Dakota and Wisconsin the right of banking may be restricted to corporations and that the Supreme Court of the United States has similarly held. The question has not come up directly in the other states.

State Control of Private Bankers

Apart from the question of the right of the state to entirely prohibit private banking, it is quite well settled that private bankers are subject to the general control of the state. Many of the states forbid the issuance of drafts, bills, notes or other evidences of debt, payable to bearer or order, by any private banker for the purpose of circulating them as money.

In *State v. Richcreek*, 167 Ind. 217, 77 N. E. Rep. 1085, 5 L. R. A. U. S. 874, the question of the validity of certain private banking regulations was raised. The statute involved was Laws Ind. 1905, chap. 109, p. 182, which provided, among other matters, first, that the

real estate, furniture and fixtures of a private banker should constitute no more than one-third of the entire capital of the bank, even when applied to established institutions; second, that the responsibility and net worth of the individual members of a private banking concern should be at least double the amount of the capital paid into the bank, and third, that at least one member of the concern should be a resident of the state. These provisions were held to be valid.

An ordinance of the city of Richmond, Va., requiring private bankers of a certain class to pay a license of \$800, was upheld by the Supreme Court of Appeals of Virginia in *Bradley v. City of Richmond* (Va.), 66 S. E. Rep. 236, 27 B. L. J. 207, 236.

The New York statute regulating private bankers and requiring them to deposit \$10,000 in cash, or its equivalent, with the state comptroller and to file a surety company bond in an amount between \$10,000 and \$50,000 to be fixed by the comptroller, and making the issuance of a license discretionary with the comptroller, was held constitutional by the Supreme Court of the United States. *Engle v. O'Malley*, 31 Sup. Ct. Rep. 190.

State Control of Incorporated Banks

Under its police power the state exercises a control over all corporations within its territorial limits. The difficulty of defining this power has been generally recognized by the courts. In fact, it has been said to be incapable of exact definition or limitation. "This police power of the state," said one court, "extends to the protection of the lives, limbs,

health, comfort and quiet of all persons, and the protection of all property within the state." It is the police power which rescues statutory provisions which might otherwise be deemed technically in violation of the state or federal constitutions. It is probably true that no class of corporations is more completely under police regulations of the state than banks. The peculiar relations that banks sustain to the public, and by this is meant their depositors, is such that it is the business and duty of the state to see that corporations embarking in the banking business are entitled to the confidence of the public, and that depositors who in good faith entrust their money in these institutions shall be protected. *Thompson on Corporations*, Sec. 460.

In *State v. Woodmansee*, 1 N. D. 246, 46 N. W. Rep. 970, 11 L. R. A. 420, it is said: "It is conceded that the business of banking, by reason of its very intimate relations to the fiscal affairs of the people, and the revenues of the state, is and has ever been considered a proper subject of legislative control, and strictly within the domain of the internal police power of every state. As a matter of fact, we have been unable to find an authority, and we have searched diligently, which has ever questioned the right of the legislature in the exercise of police power to regulate, restrain and govern the business of banking."

It is hardly necessary to comment at length upon the question of state regulation and control of incorporated banks. Practically every state has voluminous statutes regulating banks.

What Corporations May Exercise Banking Functions

In general, corporations possess only such powers as are expressly granted, or such as are necessary to carry into effect the expressly granted powers. Just as a bank would have no right to engage in the business of fire insurance, so an insurance company, or any other company, not expressly or impliedly authorized, may not undertake a banking business.

An insurance company differs radically from a banking corporation, and the powers given to one cannot be exercised by the other without some authority granted by the state through its legislature. *Memphis City Bank v. Tennessee*, 161 U. S. 186, 40 L. Ed. 664; *Blair v. Perpetual Insurance Company*, 10 Mo. 559. A homestead and loan association, organized under the statutes of the state of Illinois, has no power to receive deposits, and to contract to pay interest thereon, for such corporation. (Continued on page 30)

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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

William C. White, for many years cashier of the Illinois National of Peoria, and well-known to the bankers of the state because of his interest in the Illinois Bankers Association, has been named president of the institution to succeed the late Frank Trefzger. Mr. White will also succeed his lamented colleague as treasurer of the Peoria Association of Commerce. The death of Mr. Trefzger was a distinct loss to Peoria business circles, and no one felt his death more keenly than did Mr. White. The friends of the new president are gratified to see him moved up to the positions which the sad death of Mr. Trefzger necessarily left vacant.

Mr. White, who will assume his duties at once, is a Peorian born and reared. Entering the banking business when a boy, he became bank messenger for the Commercial National Bank in 1886, and consequently he has seen more than a quarter of a century of banking experience. After four years of service with this institution Mr. White linked his fortunes with the Peoria Savings, Loan and Trust Bank as teller of that concern. The rising young banker remained with this organization until the formation and organization of the Illinois National Bank in 1900. This then new bank appointed Mr. White as its assistant cashier. Remaining in this position under Frank Trefzger, who was then cashier, until 1907, the two men were each promoted in that year, Mr. Trefzger becoming president, and Mr. White the cashier.

Leseure Sells Detroit Bank

Ernest X. Leseure, president of the Danville National Bank, and also president and principal stockholder of the Woodward Avenue State Bank of Detroit, has sold his interests in the latter named institution. Mr. Leseure and Walter C. Piper organized the bank in Detroit somewhat more than a year ago, and the former has just sold his stock at six points above par value. His reason for selling was that other business interests would not permit him to manage the Detroit bank.

Cass County Bankers Organize

The bankers of Cass county assembled at the Mann Hotel, in Virginia, and formed a Cass County Bankers Association. There are twelve banks in the movement. W. S. Rearick, of Skiles, Rearick & Co., of Ashland, is

one of the active members of the association. He is well known to Illinois bankers. Henry S. Leeper of Chanderville is the president of the association, T. C. Richardson of Ashland is vice-president, and R. C. Taylor of Virginia is secretary and treasurer.

Emmerson May Be Candidate

L. L. Emmerson, cashier of the Third National of Mt. Vernon, and one of the most popular bankers of "Egypt," may be a candidate for the office of state treasurer. He will seek the republican nomination for this office. George H. Hamilton, president of the First National of Watseka, has withdrawn as a candidate for the legislature to succeed himself. He was also a candidate for the speakership.

Some New Banks

The Du Page County State Bank has begun business in the village of Glen Ellyn with capital of \$25,000, and surplus of \$2,500. William H. Page is president; Dan Norman, assistant cashier of the Continental and Commercial National of Chicago, is vice-president; Frank J. Bogan is cashier, and James W. Vallentyne is assistant cashier.

The new Citizens State Bank of Buda, near Princeton, will be opened about April 1st. E. E. Geeseman, formerly cashier of the First State Bank of Tiskilwa, will be the cashier. There will be about eighty stockholders, and the bank will have capital of \$25,000 and surplus of \$2,500. A new bank building is planned for the near future.

The Farmers Exchange Bank of Nebo,

near Quincy, will succeed the Bank of Nebo February 10th. J. T. Harvey will be the president, J. R. Pollock, vice-president, and A. F. Turnbaugh, cashier.

The new Franklin Trust and Savings Bank, recently organized on the South Side of Chicago, is of especial interest to Springfield bankers inasmuch as S. W. Straus, one of the organizers of the new institution, is a stockholder and was one of the principal organizers of the New Leland Hotel Company of the capital city. Nicholas Roberts and James Giblin, two former Springfield men, are now associated with Mr. Straus in the bond and mortgage business in Chicago under the firm name of S. W. Straus & Co.

Edens is Contributing Editor

William G. Edens, assistant secretary of the Central Trust Company of Chicago and personally known to two-thirds of the bankers of the Central West through his attendance at so many conventions, was formerly a railroad man before he became a banker. As a railroad man he was as much of a live wire as he is now in the banking business, and he has by no means lost his interest in the affairs of his old associates. Not only does he keep up his membership in the labor union, but he also contributes each week an interesting section on banks, banking and investments to the "Union Labor Advocate," published in Chicago. His picture appears in this part of the

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A Decade of Growth—Comparative

United States	1900	1910	Per Cent Increase
Population.....	75,994,000	91,972,000	21%
Wealth.....	\$88,517,000,000	\$125,000,000,000	41%
Money Circulation.....	2,055,000,000	3,180,000,000	54%
Savings Bank Deposits ..	2,389,000,000	4,070,486,000	70%
National Bank Deposits ..	2,458,000,000	5,287,216,000	115%
Bank Clearings, U. S.....	84,582,000,000	158,559,487,000	87%
Bank Clearings, N. Y.	51,964,000,000	99,257,662,000	91%

Irving National Exchange Bank

	1900	1910	Per Cent Increase
Capital.....	\$ 300,000	2,000,000	566%
Surplus and Profits	100,900	1,797,900	1681%
Deposits.....	3,446,500	28,360,200	722%
Assets.....	4,108,800	33,347,200	711%

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West Broadway and Chambers St.**NEW YORK**

labor magazine and his banker friends are always glad to see his name and face in print. Mr. Edens does this work because of his sympathy for the laboring man. His paragraphs are newsy and well written. Not all contributing editors live at Oyster Bay.

Champaign County Bankers Organize

Seventy bankers representing not only the banks of Champaign and Urbana, but of the county as well, met at the Hotel Beardsley in Champaign Monday evening, January 29th, and perfected a county organization. A social hour, toasts, and a banquet formed the entertainment for the afternoon and evening. Farming, overdrafts, and business conditions were the topics discussed. J. D. Morse of Gifford was chosen chairman; W. H. Wheat of Rantoul, vice-chairman; and P. W. McPheeters of Champaign, secretary and treasurer.

The bankers of Kankakee county met at the LaFayette Hotel in Kankakee, Friday evening, January 26th, with every bank in the county represented. A county organization was perfected for Kankakee county. Already fifty-six counties in Illinois have formed county associations and as only eight or ten have signified an indifference to the movement, it is safe to say that in a few weeks more the most of the counties of the state will have formed strong county organizations.

Bankers Aid in Boosting City

The bankers of Springfield are giving their hearty approval and co-operation toward the building of a huge convention hall in that city with the idea of making the capital city the best convention point in the state outside of Chicago. Both the Improvement Association and the Commercial Association of Springfield are working hard on this idea, and the Springfield papers report that the bankers of the city are giving their hearty approval to the project.

Marriage of Danville Banker

Robert D. McDonald, a retired banker of Danville, and Miss Harriet Yeater of Polk, Iowa, were recently married as a culmination of a romance begun a number of years ago, when the groom's daughter, Miss Jean McDonald, was a member of a personally conducted party, which toured the Mediterranean under the direction of Miss Yeater. Later McDonald was a member of a similar party. The bride has had a rich experience as a lecturer, and as an organizer of European tours.

Seward Prosser

Liberty National, New York, has a new president in Seward Prosser, who, before his election to succeed President Schenk, was a vice-president of the Astor Trust Company. Mr. Prosser will take office at the Liberty on March 1st. Henry J. Cochran will succeed Mr. Prosser as vice-president at the Astor Trust.

WESTERN CONVENTION DATES CONSECUTIVE

Secretary W. W. Bowman of Kansas has quite a feather in his Topeka convention date. It will be the silver wedding anniversary of Topeka and the association, which will be celebrated May 23d and 24th. Mr. Bowman says: "There is a recognized appropriateness in making Topeka the convention city for 1912. Twenty-five years ago the association was born in Topeka, and it seems quite in keeping with all proprieties that its twenty-fifth birthday be celebrated there. May is a popular convention month and other associations are fixing May dates also. Texas takes Tuesday, Wednesday and Thursday, May 7th, 8th and 9th; Oklahoma, Friday and Saturday, May 10th and 11th; Alabama, Friday and Saturday, May 17th and 18th; then follows Missouri at Joplin, Tuesday and Wednesday, May 21st and 22d, and Kansas at Topeka, Thursday and Friday, May 23d and 24th. Thus all conflicts are avoided.

"The financial press through the entire country, beginning at New York and Chicago, raised a great cry a year or two ago for continuity in convention dates and called upon state associations for some more methodical adjustment of dates that would accommodate the large number of bankers from reserve cities, representatives of financial journals, officers of the American Bankers Association and of state associations desiring to interchange visits, other public officers, convention speakers, etc., all of whom have been greatly inconvenienced by irregular dates fixed without reference to any common schedule, even neighboring states often conflicting. So great an evil needed correction, and a little neighborly co-operation has accomplished the result.

"The convention sessions will be held in Representative Hall and the building and loan section in the supreme court room. The pro-

gram of the convention will contain features appropriate to its anniversary character, and will be strong in every one of its appointments."

AGITATION FROM WASHINGTON HURTS

Ware & Leland, big grain and cotton brokers of this city, give it as their opinion that agitation from Washington is the chief cause of bad business. They say: "The continual agitation from Washington is beginning to have its effect upon general business throughout the country. Reports from all the active centers indicate that business is not good. People are afraid to buy except for immediate needs, and money in consequence is piling up in large financial centers, and for which there is no outlet. The talk of tariff revision and further suits by the government are increasing this anxiety on the part of the merchants and for the minute we cannot feel very hopeful as to the future of the stock market. This general business depression is bound to have its effect; but it is a well-known fact that Wall Street usually discounts events six months in advance, and perhaps the recent decline in the stock market—or rather, the non-rise in the market—has been due to this fact, and that even though business may be at its lowest ebb, dividend reductions constantly spoken of, money a drug on the market, if our big men see that there is a change in sight, the stock market will show it long it long before actual business conditions warrant a rise. For the time being, we would confine ourselves to investment purchases; Atchison and Southern Pacific are our favorites, as far as the railroads are concerned, and those preferred industrials where there is no doubt about their ability to maintain the dividends."

COLONIAL TRUST NEW BUILDING

Another new bank and office building is assured for the financial district as the result of a deal closed on Tuesday. It will be sixteen stories high and will be erected by the Colonial Trust and Savings Bank on the Leopold Mayer estate property on Adams Street, adjoining on the west the Corn Exchange National Bank building, at the northwest corner of La Salle and Adams streets.

A charter has been issued to the Somerset National of Barker, N. Y., capital \$25,000.

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

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Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

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BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

Judging by the volume of deposits in Milwaukee banks, the business transacted at present in this city is well up to the levels established for preceding years, and the merchants and manufacturers both claim that business prospects, while not unusually good, are still of such character as to warrant their looking upon the situation with not a little optimism.

There is only about a normal demand for loans, with rates unchanged. Collections are reported fair. A number of large orders have been booked during the past week in the iron and steel trade, although the majority of these concerns are working far from their full complement of men. Bond sales are reported as fair, with considerable individual trade centering mostly around the high grade industrial and public utility bonds.

Alexander Re-elected President

The annual meeting of the stockholders of the Merchants and Manufacturers Bank of Milwaukee was held January 27th, at which time the old board of directors was re-elected as follows: L. M. Alexander, H. P. Conant, F. Doepke, Nathaniel Greene, E. C. Knoernschild, W. F. Myers, W. S. Paddock and W. H. Schwab of Milwaukee; J. G. Rosebush of Appleton, F. J. Wood of Grand Rapids. The old officers were also re-elected. They are: President, L. M. Alexander; vice-president, W. F. Myers; second vice-president, W. S. Paddock; cashier, E. J. C. Knoernschild; assistant cashier, A. Froede, Jr.

The statements presented were satisfactory, the last showing deposits of \$1,641,208.21.

Discuss Central Bank Question

The Merchants and Manufacturers Association of Milwaukee held a smoker on the evening of January 30th, to which prominent citizens of Milwaukee were invited. The speakers of the evening were the Honorable Robert W. Bonyng of Denver, Colorado, a member of the National Monetary Commission, who discussed the question, "Shall We Have a Central Bank?" and Professor William A. Scott of the University of Wisconsin, who also spoke upon the same question.

The object of the smoker, which was well attended, was to give the members of the association an intelligent idea of the propositions now before congress, regarding reform in the banking system.

Mr. Bonyng said in part: "The present system has been called the 'panic breeder.' In times of trouble every banker and every depositor attempts to draw his reserves from his reserve centers, thus adding to the demoralization. There are three great defects in the present system; the scattering of reserves among the many thousand bank units; failure to provide any method by which banks could co-operate and non-elasticity of the national bank currency. The monetary commission found in its investigation of the banking systems in different nations that every one of financial prominence had a central

bank. The commission early determined that this would not be suitable for this country, and we decided to recommend the creation of an institution which should be absolutely American in the plan of its organization; in the scope of its power, and in the manner of their exercise."

Banks and Farms Closely Allied

Secretary George D. Bartlett of the Wisconsin Bankers Association in a recent article sets forth the close alliance existing between banks and farmers and shows how the Wisconsin Bankers Association is endeavoring to arouse business men as well as farmers to renewed interest in agricultural possibilities within the state of Wisconsin.

He says, "possibly there may be many who are not aware that the 1911 legislature authorized additional state aid to our Wisconsin high schools for courses in agricultural as well as domestic science and manual training. That there is a lack of this knowledge on the part of our people would seem evident from the fact that out of 300 high schools in our state only 17 now offer courses in agriculture, while but 48 offer courses in domestic science and but 49 courses in manual training. But 65 high schools out of a total of over 300 offer either of these branches of education, thus leaving 80 per cent of the entire Wisconsin school system without any branch of education which educates the hands.

"This new law authorizes the state to pay



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



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Surplus and Profits 500,000.00

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GUSTAV RUESS

J. H. PUELICHER, Cashier
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S. H. MARSHALL
R. N. McMYNN
C. C. YAWKEY

one-half the cost of maintaining in any high school courses in agricultural and domestic science or in manual training, not to exceed \$250 for each of these courses unless the courses are extended to include the upper grades of the common school, in which case the expenditure authorized by the state may be extended to \$350 for each course. One educational authority has truthfully said, 'the most alarming thing in our educational system is, while our boys and girls are obtaining an education they are not being prepared for any specific vocation. The boys are imbued with the idea that they must not do manual labor, but must have a white-collar job. It looked for a time as if our farms would have to be abandoned because the boys would not take to farming.'

Carr is Re-elected President

The Bank of Hudson, Hudson, Wisconsin, held its annual meeting January 23d, when, after declaring the usual dividends, the following officers were re-elected: F. J. Carr, president; W. J. Barter, vice-president, E. E. Gatchel, vice-president and B. C. Bunker, cashier. On account of the new banking law requiring all officers and directors to be residents of the state, George De Long, who has served as vice-president for some years, was ineligible for re-election, and E. E. Gatchel was elected in his place. Mr. De Long continued a member of the examining committee as heretofore.

Group 1 Meets at Eau Claire

Group 1 of the Wisconsin Bankers Association will hold its regular annual meeting at Eau Claire, February 7th. An interesting program has been arranged, and a number of most important topics will be discussed. The chief speaker for the occasion will be President James K. Ilsley of the Marshall & Ilsley Bank of Milwaukee, who will address the bankers upon the subject of "Currency Reform as Proposed by the National Monetary Commission."

SAVINGS BANK SECTION OF A. B. A.

E. G. McWilliams, formerly with the Irving Savings Institution, New York City, has been appointed secretary of the Savings Bank section of the American Bankers Association, to succeed William H. Kniffen, Jr., who has been elected treasurer of the Onondaga County Savings Bank of Syracuse, New York.

AMONG THE VISITING BANKERS

C. C. Burford, of Busey's Bank, Urbana, Illinois, was a Chicago visitor Friday of last week.

John J. Sherman, former president of the Wisconsin Bankers Association, cashier of the Citizens National, Appleton, was in the city on Saturday.

Wm. Heuer, vice-president Iowa Bankers Association and cashier of the Union Savings, Davenport, called on Chicago banking acquaintances Thursday.

J. G. Allen, cashier Indiana Harbor (Ind.) State Bank, visited Chicago on Friday.

FEW KANSAS BANK ROBBERIES

Topeka, Kan., January 31.—Only one bank robbery took place in Kansas in 1911, according to the report of the Kansas State Bankers Association, filed here to-day.

"Two or three years ago," said M. B. Light of Winfield, president of the association, "a bank robbery in Kansas was a common thing. Two gangs were operating in the state. The era of bank robbing in Kansas is about passed. The law passed by the legislature providing life terms for bank robbers has served to clean up the state."

MICHIGAN BANK SOLD

Highland Park, Mich.—Through purchase of the entire capital stock, F. A. Smith and others associated with him have acquired ownership of the Woodward Avenue State Bank, which was established a little more than a year ago with a capital of \$25,000.

The new owners have completed formal organization, electing as directors: Clarence M. Burton, Henry E. Candler, Charles K. Latham, George H. Russel and F. A. Smith. Officers elected are: President, F. A. Smith; vice-president, Clarence M. Burton. B. E. Storms will retain the position of assistant cashier, which he held under the former ownership of the bank.

Mr. Smith, the new president of the institution, was formerly assistant to the president of the First National Bank of Detroit, but retired from that position prior to the death of M. L. Williams.

The Woodward Avenue State Bank was established by E. X. LeSeure, Walter C. Piper, John M. Meyering and Ralph Meyering. Mr.

LeSeure, former president of the bank, who is president of the Danville National Bank of Danville, Ill., is quoted as saying that neither he nor Walter C. Piper, the cashier, who is a well-known real estate operator, was able to give the bank the time and attention which the institution's growing business demanded and it was thought advisable to sell when the opportunity was offered.

VEST POCKET SAVINGS

The Minnesota Loan and Trust, Minneapolis, is trying out a "vest pocket-savings" envelope in which the holder deposits "a coin each day," and on the margin makes a check mark to show the contents, telling how many dimes, nickels and quarters he put in. Coins cannot be extracted without destroying the envelope.

TWO TRUST COMPANIES PLAN TO CONSOLIDATE

Directors of the Fidelity Trust Company and of the Columbia Trust Company of Louisville, Ky., have voted to recommend the consolidation of the two institutions to the stockholders. In all probability the merger will be ratified. The Fidelity is one of the largest institutions of its kind in the South, and both are regarded among the strongest banking organizations of Louisville. A return of \$1,000,000 to shareholders and the retirement of that amount of stock is proposed. Under this arrangement the capital stock of the two institutions would be \$2,000,000, with a surplus of \$500,000. L. W. Botts, president of the Columbia, is mentioned as president of the consolidation and John W. Barr will probably head the board of directors.

IN A NUTSHELL

Readers of this paper do not, it is true, turn to the American or Hearst's Journal for correct information in finance. But the class sheets appeal to is a large one, greatly lacking in the power to discriminate truth from falsehood.—Wall Street Journal.

The Mt. Calvary (Wis.) State Bank has increased its capital stock from \$12,000 to \$20,000.



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CAPITAL \$2,000,000 SURPLUS \$2,500,000

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P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin

St. Louis, January 31, 1912.—Continued softness characterized the local monetary situation throughout the past week. The demand from all sources was about what had been expected for this particular period, but not sufficient to cause even a slight stiffening in rates. It is a notable fact, however, that leading banks are not pressing hard to place their funds. Present rates are not sufficiently attractive to them, and all want to be ready for the revival, which seems forcing itself. Decided preference is being shown to short time loans, and there is considerable competition for thirty and sixty day bills. Longer maturities, however, unless bearing exceptionally choice names, and at a shading above the current ruling, are not being readily taken, especially by the nationals. A canvass of the big wholesale district, on Washington Avenue, elicited the information that sales in certain lines have picked up remarkably since the fifteenth of January, and indications are that this pace will be maintained for an indefinite period. Collections show marked improvement, though there are still some backward spots. The straggling ends of the southern outlay are being gathered in, and there is not much more, relatively, to come in from that region. Deposits are seasonably large, and showed little fluctuation in either direction last week. Clearings are not quite up to the corresponding period a year ago.

Securities More Active

The recent revival in traction issues on the St. Louis Stock Exchange had a beneficial effect on the market as a whole. Brokers attribute the long depression and dullness in a large measure to the gloom, which United Railways stock and bonds cast over the market. Activity in railways preferred, which is probably the most widely owned security in the list, stimulated trading and interest in all other lists. The demand for both investment and speculative account has been better than for months past, and it is believed likely that it will continue. Bank and trust company issues, while very strong, have been relatively quiet. This, however, is not unusual, as local banking shares are always closely held, mainly for investment, and it is rare that any considerable blocks are offered for sale. The inquiry for bonds of various kinds has also picked up. The banks and trust companies have been in the market for certain high grade bonds, this form of investment proving more profitable than the general run of loans at the present status of the money market.

Wade Urges Reforms

Festus J. Wade, president of the Mercantile Trust Company, believes there should be radical reforms in taxation methods. In an address to the St. Louis Real Estate Exchange, he said that the present system of taxing mortgages makes hypocrites of the lenders. Mr. Wade said: "Real estate loans and mortgages should be immune from taxation because the taxes are paid on real estate. One invests in railroad securities and avoids taxes, because the railroad already have paid taxes. A national bank may not loan money on real estate, yet the land is the basis of all wealth. I never knew a bank to fail because of real estate loans, provided they were made with the same intelligence exercised in making commercial loans. Banks and trust companies in this state pay a greater tax, proportionally, than any other class of merchants or tradesmen. The institution over which I preside pays \$12,000 a month for the privilege of doing business." Mr. Wade said that many St. Louis millionaires are moving into the county and establishing homes to save taxes. The Mercantile Trust Company, of which Mr. Wade is president, does a large business in real estate and real estate securities.

John Nickerson, Sr., Resigns

John Nickerson, Sr., vice-president of the National Bank of Commerce, and one of the old school of St. Louis bankers, has resigned from that institution and will become associated with his son, John Nickerson, Jr., in the brokerage business at 405 Olive Street. Mr. Nickerson had been in an executive capacity with the National Bank of Commerce since 1898, when the Commerce took over the St. Louis National, of which Mr. Nickerson was president. He is 75 years old, and in certain lines of banking detail is said to have no superior in the West. Mr. Nickerson was born in New York, and came to St. Louis in 1867 as paying

teller of the old State Savings Institution, now the State National, succeeding J. H. McCluney in that position. Mr. McCluney is now president of the State National. Mr. Nickerson was cashier of the St. Louis National Bank in 1878; cashier of the Merchants National, 1890, and president of the St. Louis National, 1896. His severance with the National Bank of Commerce closes a forty-five year service in St. Louis banking institutions. It is announced that Mr. Nickerson's connection with his son's firm will be in an advisory capacity, as he has planned to retire from active business.

Wants Missouri-Lincoln Cited

The question whether the Missouri-Lincoln Trust Company is in contempt by applying to the circuit court for a receiver for the Nevada-Missouri Water, Light and Traction Company has been raised in Judge Kinsey's court by counsel for Jacob Erb, a Chicago attorney. Some time back Judge Kinsey issued an injunction restraining the trust company from selling at auction a \$200,000 bond issue of the Nevada company, and Erb's attorneys claim the restraining order covered any and all action involving the affairs of the light concern. The motion filed asks that the trust company and W. F. Carter, its president, and James Hayward, secretary, be adjudged in contempt. The matter was taken under advisement. The application is interesting simply as being another tangle in the complicated web enmeshing the affairs of the Missouri-Lincoln Trust Company.

Bell Telephone Imbroglio

Stockholders of the Bell Telephone Company of Missouri, that is, the local holders, have backed down and agreed to accept six shares of American Telephone and Telegraph Company for seven of their shares in the local company. The struggle was a hot one, and for a time it looked as if the fortitude of the local directors, backed by the holding here, would win out. However the power behind the trust's steamroller was too mighty, so the men managing the fight decided it was best to accept the trust's proposition, and now the American is in full control. It is admitted by the local directors that the tactics employed by the parent company to gain its point are ultra domineering, but they say also: "What more could we do?" The five insurgent directors expect to be retired at the annual election on February 20th. One of these gentlemen said that he would just as leave be a wooden cigar Indian as a member of the new board. In all likelihood there will be radical changes in management, and now that

Our correspondents are pleased with the care we take of their business at the St. Louis National Stock Yards, because it is *thoughtful*, not mechanical.

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192 BROADWAY

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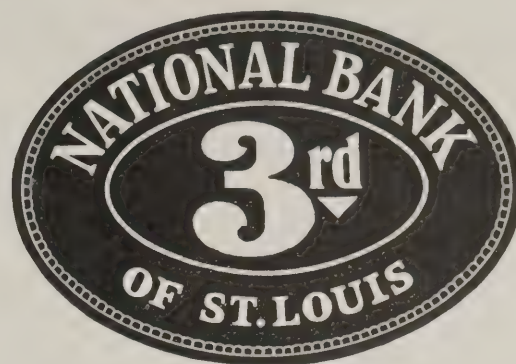
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the friction is removed, the general public look for improvement in the service, which has been allowed to run down woefully.

A LINCOLN SOUVENIR

From the First National, Minneapolis, comes a fine, bronze medal of Abraham Lincoln. That bank was established in "1864 in the days of Lincoln," and has commemorated his and its own birthday appropriately. The medal shows the well known Lincoln bust and on the reverse a fine, raised model of the First's new bank building. A. A. Crane has charge of the distribution.

ASKS FOR A RECEIVER

Cincinnati, January 31.—Suit was filed here to-day by Harry Bush, a stockholder, asking for the appointment of a receiver for the Cincinnati Trust Company, of which George B. Cox was president, and which was recently absorbed by the Provident Savings Bank and Trust Company. Bush also asked that the liquidating trustees of the Cincinnati Trust Company be compelled to pay \$1,000,000 for division among the stockholders of the bank.

An investigation of the affairs of the company by experts for the stockholders last week showed that the loans of the concern to one company, the Ford Johnston Chair Company, amounted to more than \$1,000,000.

Syracuse, N. Y., January 29.—James Madison Ellis, former banker and contractor, who a decade ago was one of the best known business men of New York state, died suddenly at his home to-day. He was 73 years old.

CONNECTICUT SAVINGS BANKS MAKE SIGNIFICANT REPORTS

Hartford, Conn., January 30.—The annual report of the bank commissioner of Connecticut, covering the twelve months to September 1, 1911, just filed with the governor, shows the total deposits of all savings banks of the state at that date to have been \$288,157,527. The increase for the year was \$12,315,158. Four per cent of the total deposits is \$11,526,301. It will be seen, therefore, that savings bank deposits increased only \$788,857 more than the regular savings bank interest for one year on the total deposits at the end of the year. Deducting the gain from the total deposits it appears that the deposits at the beginning of the year were \$275,842,369. Four per cent of this is \$11,033,694, which, deducted from the year's gain in deposits, leaves only \$1,271,464 actual gain over the regular interest, allowing for no withdrawals of interest. The report shows that 88,836 new accounts were opened during the year, a decrease of 2,710, while 71,761 accounts were closed, an increase of 2,881.

The amount withdrawn during the year was \$59,627,707, an increase of \$536,197, while the amount deposited, including interest credited, was \$71,942,865, an increase of \$341,547. Another significant feature is the fact that the deposits of less than \$1,000 each increased \$1,709,899, to a total of \$103,392,609, while deposits of between \$2,000 and \$10,000 each increased \$6,424,517 to \$101,865,968.

The Connecticut commissioner asks for legislation permitting him to employ competent accountants in order that bank examinations may be more frequent and complete and that savings bank directors be required to make during the year following

the annual meeting an accurate trial balance of the depositors' ledgers, said balance to be taken under the direction of a competent accountant not in the employ of the bank, the president and treasurer to certify to the commissioner that such balance has been made and agrees with the daily balance sheet on such date.

ARRANGEMENTS MADE FOR LIQUIDATION

Portland.—The affairs of the defunct American Bank and Trust Company have been placed in charge of H. E. Albert, a special deputy of Bank Examiner Wright. The new banking law, passed by the last legislature, does away with the appointment of a receiver at large expense to the depositors, and places the distribution of the funds in the hands of the deputy, who is under a regular salary.

NEW CHATTANOOGA BANK OPEN

The American Trust and Banking Company, of Chattanooga, Tenn., one of the newest and biggest financial institutions in that state, is reported to have opened for business in handsome accommodations recently with H. S. Probasco, formerly president of the American National Bank of Chattanooga, as its president.

DEATH OF EDWIN HAWLEY

New York, February 1.—Edwin Hawley, chairman of the Memphis & St. Louis Railroad, and one of the leading railroad men in this country, died at his home here to-day after an illness of several weeks. He was a director in the Fort Dearborn National, Chicago.

Editorial Comment

NEW BANK LEGISLATION

Amending the state banking law or changing the entire policy of the state toward a recognized branch of banking is not a thing to be done hastily or without due consideration. Illinois has permitted the operation of private, uninspected banks within its limits much longer than the majority of the other states. Within the last year quite a number of legislatures passed restrictive amendments, among them being California, which penalizes unauthorized banking very severely. Delaware has restricted the use of even the word "trust," so that any corporation using that word in connection with banking must come under state supervision. Idaho amended her laws, making much better provision for regulation and for stricter examination. This was also done in Indiana. In Kansas even investment companies have been placed under supervision; and this part of the law is being enforced in a way that is expected to eradicate from that state the floatation of unsound securities. Missouri, which at one time prohibited private banking, now permits it in large cities, but the banker must have at least \$10,000 capital, and be under state supervision. In New York state alone, no less than twenty new laws or amendments were passed affecting banking in some manner; most of them were amendments to the general law. The most far-reaching was a law regulating private banks, particularly those dealing with immigrants. A former law intended to prevent this kind of banking was declared null and void by the courts, and a new law was passed immediately. These new laws enacted within the past twelve months leave only four states in the Union in which any kind of banking can be conducted without state supervision. The new Pennsylvania law restricting private banking, went into effect December 1, 1911, but is being opposed in the courts by the private bankers of Philadelphia in a way which has tied up its administration for the present.

Nearly one-third of all the banks in the state of Illinois are private banks. Many of them are said to have remained private banks the better to evade the paying of taxes on the necessary capital involved. No doubt, a great many of the private bankers are just as honest and qualified to conduct their business as are the incorporated bankers. Many of them believe absolutely that, under the state constitution, they have the right to engage in the banking business without restraint. In the present issue of THE CHICAGO BANKER there will be found an article touching upon the right of the state to regulate or prevent private banking, which goes into the matter in detail, and which ought to be kept on file by every banker in the state, who is interested in the outcome of the present agitation. In another part of the paper will be found extracts printed from editorials in all of the leading

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

Chicago newspapers, commending unqualifiedly the movement on the part of the progressive members of the Illinois Bankers Association, headed by President B. F. Harris, for a new banking law. Each particular editor gives the reasons which appeal to him most strongly for supporting the movement, but in every Chicago paper where it has been mentioned at all, the paper has been in favor of a banking law placing all forms of banking, and the use of banking terms, under regulation by the state. The better to bring this about, it has been proposed to have a separate banking department in Illinois, such as they have in nearly all the other states of the Union. It will be the intention of THE CHICAGO BANKER to present fairly and fearlessly the arguments presented pro and con on the general subject of the proposed new banking law. Its columns will be open to any private banker who wishes to state his views and tell why he believes private banking should be exempt from state supervision and inspection, while state banks and national banks are subject to rigid supervision. There will be considerable contention and no little discussion all over the state on this subject. Every banker who has not heretofore fully made up

his mind will do well to read everything that comes within his reach upon that subject. That the matter will be pushed until it appears before the state legislature has been fully decided upon. President Harris has said he will appoint a volunteer committee to prepare such a bill as is necessary. Under the Springfield resolution, a committee will be appointed to prepare a bill providing a separate banking department for the state. Those who are opposed to these changes in the laws will be quite active. Heretofore they have succeeded in killing in committee everything of a threatening nature which was offered before the state legislature. It is not expected that they will be able to repeat this, and when the matter comes before a committee of the legislature, public hearings will be held, at which the men, who have been active in opposing banking legislation will be expected to testify openly the nature of their opposition to what the other side believe to be necessary reforms.

GETTING A NATIONAL CHARTER

It is becoming increasingly difficult to obtain a national banking charter under the sane and wholesome regulations in force under Comptroller Murray. Many of the restrictions which he is enforcing by virtue of the powers of his office should be enacted into laws, so that a less efficient comptroller could not undo the work already accomplished. For a long time Mr. Murray has been able to stand off the professional bank promoters, who for several years had been perniciously active. They promoted banks for just what there was in it, and exploited communities for whatever they could get. Now the comptroller wishes to go a step further and require a paid-in surplus before the bank opens for business. The critical time in a new bank, so far as keeping its capital intact is concerned, comes within the first year or six months after it has opened. With a surplus of 25 per cent paid in, which is the custom in many places, the officers of the bank have greater liberty of operation without danger of an unexpected visit from the special trouble department of the comptroller's office. It is told upon good authority that there are always a great many banks just on the verge of capital impairment. This happens chiefly on account of the different ways banks have of doing their business. A protection against a near approach to this danger line would be a law requiring a reasonable surplus to be paid in along with the paid-up capital. The bankers should uphold the comptroller in what he is trying to do, for it is certain that it would bring about a condition of greater soundness in the banking community than could be attained in any other way. There always must be a small percentage of national banks out of accord with the comptroller's office. Much of this friction

Convention Dates

VERMONT—Montpelier, February 22; Secretary, F. R. Dickerman, Bristol.

TEXAS—San Antonio, May 7, 8 and 9; Secretary, J. W. Hoopes, Austin.

OKLAHOMA—Tulsa, May 10 and 11; Secretary, W. B. Harrison, Enid.

ALABAMA—Mobile, May 17 and 18; Secretary, McLane Tilton, Jr., Pell City.

MISSOURI—Joplin, May 21 and 22; Secretary, W. F. Keyser, Sedalia.

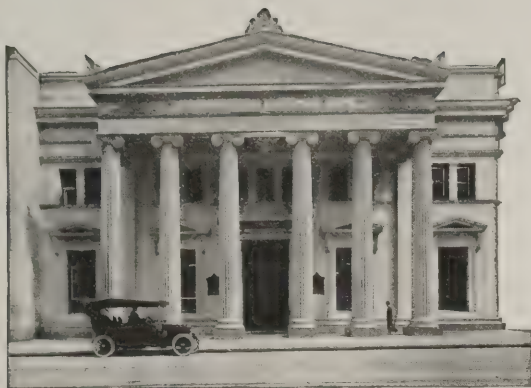
KANSAS—Topeka, May 23 and 24; Secretary, W. W. Bowman, Topeka.

MINNESOTA—State Agricultural College, St. Paul, June 14 and 15; Secretary Charles R. Frost, Minneapolis.

VIRGINIA—Old Point Comfort, June 20, 21 and 22; Secretary, Walker Scott, Farmville.

NEW YORK—Buffalo, June 13 and 14; Secretary, William J. Henry, New York City.

WISCONSIN—Milwaukee, July 24 and 25; Secretary, George D. Bartlett, Milwaukee.



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				W. M. KOON	-	-	Assistant Cashier

is caused by the narrow margin which bank directors leave between them and the point where a diminishment of capital is the only course. In the future banks will live up to the regulations of Comptroller Murray if they see fit, unless an opportunity is taken to embody in a national law a requirement, which will give soundness and confidence to the national system in places where banks have been somewhat lax about capital requirements. This would dispose of the real difficulty which the comptroller has always been called upon to face—that of having all banks in the system working under unimpaired capital with a reasonable surplus for losses and contingencies.

PROMOTION OF WILLIAM C. WHITE

Every progressive banker in the state of Illinois, and many outside of those sacred precincts, will be glad to learn of the promotion of William C. White to the presidency of the Illinois National Bank at Peoria. Mr. White is of the younger generation of bankers who banded together a few years ago to give Illinois a taste of some of the good things enjoyed by surrounding states. He was one of the earliest workers in favor of the group system, which was opposed by the same votes which only last week went on record as against bank supervision. The Peoria group is No. 2, and was organized in spite of the executive council of the Illinois Bankers Association, but came in with the other groups as soon as the system was adopted.

Upon the death of President Trefzger last week, the citizens and business men of Peoria at once expressed the conviction that there was no other logical successor except the popular young cashier, who had been a life-long friend and companion of the deceased president. Mr. White had worked with Mr. Trefzger ever since the organization of the bank, and was responsible for many of its policies; he saw it grow to its present high rank in the state, and no man in Peoria enjoyed the unanimous friendship of the business public to a greater extent than did Mr. White. He was born and reared in Peoria; he is a graduate of her public schools. He started in as a messenger boy in the old Commercial National, and has been actively engaged in the banking business ever since.

When the Illinois National was organized, he became its assistant cashier. No man ever came to a position better qualified by experience and training than Mr. White is qualified for the position of president of the Illinois National Bank.

THE MATTER WITH THE COLONEL

Copious supplies of "Southern Comfort" and belief that he is running the whole democratic party keep Colonel Watterson in a fairly tranquil state of mind. Cut down the one or interrupt the other, and he who does it is "no gentleman."

OPPOSED TO THE RESERVE ASSOCIATION PLAN

To the Editor: After a study of nearly four years, Senator Aldrich's committee has perfected its monetary bill, and presented it to congress for consideration, as it was in duty bound to do. But why the large bankers make the futile attempt, as the papers state, of raising a one million dollar fund [?—Ed.] for the purpose of educating and enlisting the people to support the passage of this plan is a mystery. Is it not the fact, that now, more than ever, trusts, combinations and concentrations are obnoxious to our people who denounce them as the most dangerous evil? Has not public opinion forced the administration to take legal steps to disintegrate nearly all combinations and large business interests stifling competition? So far banking is nearly the only large interest which is not yet corralled by combination. Each bank stands independent, competing with each other bank, just what the law and the people demand. And now they too are invited to combine and centralize and form what some claim would be the strongest money power on earth. But, it is said, this power will not benefit the banks alone, but all the people as well. That is just what all trust magnates

claim is the effect of combination, but the people don't believe in it, don't want it, and demand the disintegration of those now existing.

Under these conditions can any one expect a legislator to vote for a measure, which is so unpopular with all the people, regardless of party? How any one can have the temerity and hope to successfully defy the people is beyond my comprehension. Of course the bill has not the remotest chance of passage, and therefore, I shall only briefly review and criticise it.

The whole plan, ostensibly proposed to strengthen our banking system, and to prevent bank panics, will only weaken the system and precipitate panics. It teems with expansion and inflation, which have always engendered suspicion, fear and panics. The bank notes issued under it will not be secured by United States bonds deposited in trust with the United States treasurer, as now, but by one-third legal money and two-thirds commercial paper but not deposited in trust with the United States treasurer. No one will believe them as safe as our present bank notes, but as a second cousin to our lamented wild-cat currency, and therefore, they will create suspicion where none exists now. The central bank will offer its banks a ready source by which they can get deeper into debt, which always arouses suspicion and destroys confidence. As Comptroller Eckels said in his report on the greatest panic we ever had, 1893, on page 24: "No system, no matter how elastic, or volume of currency however large, could have offered relief, as long as confidence is wanting. Hoarding will go on and additional issues will only add to the hoarding."

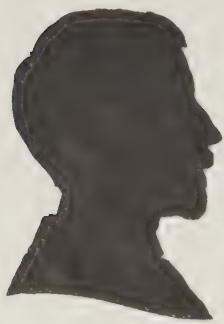
Our business is done on 5 per cent cash as against 95 per cent credit, which means confidence. Therefore the most effective method is to conserve confidence. We have never had, and never will have, bank runs due to an insufficiency of currency, but rather to an insufficiency of confidence. This is the only weak spot in our whole banking system. If that is secured nothing else is wanting to make our independent banking system the best and safest on earth.

You say, it is easy to criticise, but where is the remedy? Now then, the only, the easiest, and the surest way we can gain and maintain the confidence of depositors in banks, and entirely prevent bank panics, is to assure the depositors that when banks do fail, as some of the 25,000 banks will, it will not effect the safety of depositors any more than the safety of the failed bank notes, and the latter are not now affected under our present system. This is clearly proven by bank failures in Oklahoma and Texas, where the insurance of deposits has been tried for three years. Never has a depositor there lost a dollar, nor has

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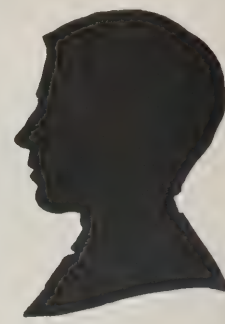
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there been the least disturbance or runs on banks by such failures.

The history of our nearly 50 years of national banking has shown that the average yearly loss to depositors has been only about one million dollars, and if all banks had been assessed only fifty cents on each \$1,000 deposits per year, no depositor would have lost a penny, and even this assessment would not have been necessary if the government had charged the bank in which it deposited its surplus only 2 per cent interest on such deposits and used them as an insurance fund. This would be more than ample to pay all deposit losses, and in this way the insurance of the deposits would need not cost the banks anything.

In the panic of 1907 the government loaned or deposited to different banks up to two hundred and fifty million dollars, without interest. At two per cent interest this would have brought an income of \$5,000,000. Why revolutionize our entire banking system by introducing a most complicated and intricate plan which would be weaker than the present and would arouse the suspicion of the people? Why not rather adopt a plan, which will strike at the root of the evil, and that is—to create an insurance fund by which all depositors shall be insured? Such plan would be most popular, easy of adoption, without disturbance, leave all banks independent, and give more equal opportunities than the plan proposed in the monetary bill.

JOHN SCHUETTE.

Manitowoc, Wis., January 27, 1912.

NEW YORK CITY SAVINGS BANKS

A compilation of the returns to the state banking department of the savings banks in New York City shows that the increase in deposits during the year was little greater than the amount of interest credited to depositors. The increase was \$334,368,811, or slightly over 4 per cent. This disappointing showing seems to be attributable entirely to the advanced cost of living.

The thirty-one savings banks in this city now have deposits aggregating \$842,112,555. The largest in point of deposits is the Emigrants Industrial Savings Bank with total deposits of \$114,734,146.

NAMES BANK COMMISSIONER

Governor Foss, of Massachusetts, has sent to the executive council the nomination of Augustus L. Thorndike of Brewster to be bank commissioner in place of Arthur B. Chapin, who resigned to accept a vice-presidency with the American Trust Company, and who has been acting commissioner since January 15th at the governor's request.

Mr. Thorndike served as president of the Winnisimmet National Bank of Chelsea before it was placed under another name and was the first president of the Boston Co-operative Bank

Indiana

H. M. Campbell has announced that he has resigned his position as secretary and also director of the Peoples Savings and Trust Company, of Columbus, to take the position of cashier of the new German Guaranty Trust Company of Indianapolis. The Indianapolis company will not be ready for business for about six weeks, but Mr. Campbell will go there to assist in the preliminary work as soon as some one is found for the vacancy here.

Articles of incorporation have been filed for the Aetna Trust and Savings Company with an authorized capital stock of \$1,000,000, divided into ten thousand shares of \$100 each. The directors are: Winfield Miller, John Wocher, August M. Kuhn, Lynn B. Millikan, William F. Wocher, John W. Schmidt and James F. Joseph. The officers are: President, Winfield Miller; vice-president John Wocher; second vice-president, Lynn B. Millikan; treasurer, August M. Kuhn; secretary, William F. Wocher; assistant secretary, Thomas B. Fulmer. The incorporators are the directors and Thomas B. Fulmer, Harry Miesse and J. L. Shields. The board of directors, at present consisting of seven members, will be increased to fifteen before the company opens for business.

Clarence C. Cowgill, manager of the supply department of the Fletcher American National Bank, has been appointed assistant national bank examiner under George Q. Biegler, national bank examiner for central Indiana, and Harry A. Scholtzhauer, national bank examiner for southern Indiana. Mr. Cowgill has resigned his position at the bank

and will take up his new duties at the Indiana national bank examiners' headquarters February 5th. Mr. Cowgill was connected with the American National Bank in various capacities for many years, and at the time of the merger of that bank with the Fletcher National Bank, was placed in charge of the supply department.

The First National Bank of Lebanon has declared another dividend of ten per cent on the Lebanon National Bank stock. This is the fifth in number, the first being for twenty-five per cent and the other four being for ten per cent each, or 65 per cent in all. The bank is well pleased with the way matters have been shaping themselves. While settlements have not been as rapid as it wished, it is gratifying that no great disturbance of business conditions has been so far brought about by settlements. Final liquidation will be consummated as quickly as possible, consistent with the policy settled on by the bank.—Lebanon Patriot.

Three more indictments have been returned against William H. Taber, former president of the American State Bank, which recently failed. One of the indictments charges Taber with the embezzlement of \$2,529.79 from Terre Haute Lodge No. 1, Independent Order of Odd Fellows; another the embezzlement of \$250 from the bank. The third indictment is in two counts and charges overdraft by a bank official.

Evans Woollen, of the Fletcher American National Bank, and Henry Eitel, of the Indiana National Bank, spoke before the Indianapolis Credit Men's Association Monday night at the Denison hotel, in favor of the Aldrich plan of monetary and banking reform. On behalf of this plan they advanced many of the arguments already made familiar by former Senator Aldrich, in his recent speech in Indianapolis. Their presentation of the matter was so satisfactory to the credit men that they voted to indorse the Aldrich plan, and instructed their secretary, John A. Ross, to notify the National Credit Men's Association of the action of the local branch.

NEW YORK CHAPTER'S ANNUAL DINNER

The annual dinner of New York Chapter American Institute of Banking will be held at the Hotel Astor on the evening of February 8th, and promises to be a perfect success. Already speakers of prominence have promised to be there, among them being Rev. John Haines Holmes, pastor of the Church of the Messiah; Elmer E. Brown, chancellor of the New York University; Don C. Seitz, of the New York World, and Thos. C. O'Sullivan, justice of General Sessions.

Red Oak, Iowa.—H. C. Binns has retired as vice-president of the Red Oak National Bank, and P. P. Clark, the cashier, has been elected in his place.

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CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

CHICAGO CHAPTER BANQUET

The eleventh annual banquet of the Chicago Chapter of the American Institute of Banking, held in the red room of the La Salle Hotel, Saturday evening, January 27th, was eminently a success. There were about one hundred and twenty-five persons present. During the progress of the dinner the banqueters were very pleasantly entertained by selections rendered by the Oxford quartette. In the programs which were found on every table, the words of several of the popular songs of the day were printed. These songs were sung by the quartette at frequent intervals, the diners joining in with them.

Very interesting talks were given by George M. Reynolds, president of the Continental and Commercial National, David Kinley, Ph. D., L.L.D., dean of the University of Illinois; Hon. Marcus Kavanagh, judge of the appellate court, and Rev. Wm. White Wilson, rector of St. Mark's church.

Mr. Reynolds talked to the members of the Institute about the benefit of study to bank clerks, and told many incidents of his own banking experience. He spoke of the value of institute work; he stated that it elevated the ethics of the banking profession; that it made young men more efficient and fitted them to assume responsible positions later on in their careers; that it gave young men an opportunity for social intercourse with one another and gave them a chance to meet, discuss and give their opinions on live subjects. Mr. Reynolds said: "Every one of you men in his own capacity is just as important to the work of the bank as is the president or cashier, and the clerk who enters on his daily task with interest and enthusiasm is bound to rise, for nothing can keep him down. Hard persistent work and patient application cannot fail to count in the end." The speaker also told of how he was present at the meeting of the American Bankers Association when it was proposed to organize the American Institute of Banking. He told how an appropriation of \$10,000 was made to carry on the work. He said that it was feared at that time that such an appropriation would have to be made every year, but that such was not the case, as practically every chapter in the country was self-sustaining. One of the arguments urged against the formation of such an association at that time was that it would develop into a labor organization and would be used as a weapon against the banks. That such has not been the case, goes without saying.

The next speaker on the program was Dr. David Kinley, dean of the University of Illinois, who spoke on the "Responsibilities of a Banker." Dr. Kinley insisted that high standards of efficiency should be the aim of every banker. Bankers are in a position to set standards of efficiency, honesty, ability, etc., to all the rest of the business community, because they come in contact with all kinds of business. A bank should not be run merely in the interest of the stockholders, but it should also be run with the idea of serving the public interests, the primary purpose for which it was established. A banker should be familiar not only with the financial condition in all parts of his own country, but with that in foreign countries; he should be able to

tell the rates for securities all over the world, what their value is, etc., so when a client comes to him and asks advice regarding some foreign investment, the banker will be able to give him intelligent advice on the subject. Dr. Kinley pointed out that a customer's estimate of a bank is gained from the impression he gains from coming in contact with the tellers, and men who wait on the public generally; that it was therefore necessary that these men should be high grade, efficient employees.

Following Dr. Kinley was Judge Kavanagh, who gave a very forceful and interesting talk on "The Citizen's Part in the Administration of Justice." Ten thousand homicides were committed in the United States last year. Of this number but one hundred and three paid the extreme penalty for their crimes. Eliminating the number of helpless negroes, who were executed in the South, and some of whom were never guilty, but fifty persons suffered death as a penalty for their crimes. In Chicago two hundred and two persons were murdered with no executions in return. The judge attributed this deplorable state of affairs to the fact that the average American citizen has an innate aversion for jury service. "The law can rise no higher than the conscience of our average citizen," said the speaker. Many citizens are excused from serving on juries because they say they are opposed to capital punishment. They are responsible in a way for the frequent miscarriages of justice and for the fact that the law has fallen into disrepute, and the criminal classes have ceased to respect it. "In my opinion the greatest punishment that can be meted out to murderers is imprisonment for life, but I also believe that the death penalty is the greatest deterrent of crime." The speaker characterized those who oppose capital punishment as "mush-headed ladies and gentlemen."

The Rev. William White Wilson spoke in regard to the unlimited opportunities there are to-day for a young man to do great things; that all that is required is persistency; that the fellow who is everlastingly working away at a thing, regardless of disappointments and obstacles, is the man who is going to get there in the end; that there is always hope for the man who is courageous in the heat of battle, and who is never willing to admit that he is vanquished. He said concentration of thought was absolutely essential to success in any line. He cited an instance of a young man whom he knew in Pennsylvania. This young fellow was famed for his remarkable accuracy. It is said that he never added up a column of figures more than once. One time in having his bank book balanced up, the Rev. Mr. Wilson thought he discovered a mistake, whereby he had credit for \$32 more in the bank than he really had. He took the book back to this young man and asked him to go over it again because he had made a mistake. The young fellow indignantly refused to do this, stating that he never went over anything but once, and that he never made a mistake. Failing to prevail upon him to make a second inspection of the work, Mr. Wilson went back to his study and leisurely went over the account; he discovered that the young man was right. When asked for the reason of this astonishing accuracy, the young man said that he had

made it a rule all his life that when he did a thing, he banished all other thoughts from his mind and thought only of the thing which he was doing; that he made up his mind that he never was going over this work again, and that he was determined that he would be accurate the first time.

Delegates from the Boston, Milwaukee and Cincinnati chapters of the Institute were present and made short talks. A telegram was received from the Philadelphia Chapter, in which they sent best wishes for the success of the banquet of the Chicago boys.

George F. Bainbridge, a member of the Institute, and one of the men who promoted the theatrical performance given by the chapter last November, rendered two very pleasing selections, which were loudly applauded by his fellow members. J. L. Ponik, a character comedian, gave a very pleasing entertainment.

CUBA CHAPTER REPRESENTED IN PRESS AND PUBLICITY COMMITTEE

The American Institute of Banking has made special recognition of Cuba in its work by appointing William H. Morales, secretary of the National Bank of Cuba, as a member of the Press and Publicity Committee of the association.

The appointment comes as a result of the active campaign which has been waged by Raymond W. Cox, president of the institute, who has recently been transferred from Baltimore to New York City, where the headquarters of the organization are situated.

Cuba Chapter has shown great activity since its creation in Havana two years ago, under the presidency of Herman Olavarria, cashier of the National Bank of Cuba, who has brought his strong personal influence to bear on the work, and obtained the aid of his institution in the way of a handsome hall as the headquarters of the chapter.

SAN FRANCISCO CHAPTER

Frank B. Anderson, president of the Bank of California, N. A., delivered an address last Wednesday evening before the members of the San Francisco Chapter of the American Institute of Banking on the Aldrich currency plan, discussing the various aspects of the plan from the standpoint of the banker in an informal manner. His talk followed the same lines as his more formal presentation of the matter at the recent convention of the American Bankers Association at New Orleans. The social feature of the evening was the presentation of a silver loving-cup to the bowling team of the Anglo and London Paris National Bank, which won the trophy in the recent bowling tournament. Individual cups and cash prizes were also bestowed to the members of the team for their good work and high scores.

\$50,000 BANK FOR IOWA

The comptroller of the currency has issued charters to the Peoples National Bank of Perry, Iowa, capital \$50,000; the First National Bank of Lincoln, Ala., capital \$25,000 (a conversion of the First State Bank of Lincoln), and the First National Bank of Coal City, Ill., capital \$25,000.

R. T. FORBES - President
J. E. COMBS - - Cashier
R. S. BRITTAIN, Asst. Cashier
R. N. RIDGE - - Auditor

THE FIRST NATIONAL BANK

Of Buchanan County

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Largest Capitalized Bank in the State outside of Kansas City and Saint Louis

CAPITAL \$500,000
SURPLUS 300,000
ASSETS 6,500,000

We solicit your business and
offer you exceptional facilities.
Correspondence invited :: ::

Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

Bank clearings in the Central West have presented a very encouraging aspect during the past few weeks, some of the larger cities showing substantial gains over the same period a year ago. Although Kansas City is still behind last year's record for this time of year, it is not as far in arrears as was shown by the clearing house reports of last fall, and the early winter. The last report shows a decrease of 2 per cent, which is narrowing the margin to a material extent. Kansas City holds its place as sixth in the list of American cities, even though Pittsburgh, its immediate rival, is enjoying a steady gain over its own record. Omaha shows a very favorable report with 5 per cent gain over the same time a year ago, and seems to have a safe lead over its nearest rivals. St. Joseph, Mo., is making a somewhat remarkable record, the last statement showing that it has gained more than 22 per cent over last year, and this gain is only the continuation of splendid business during the past year. In fact while other Central West cities were fluctuating wildly from week to week the banks of St. Joseph were doing a normal business on a steady basis. In Wichita and Fort Worth the clearings have not held up as well as usual, although the general record for the past few months is highly satisfactory.

Banking Conditions Improving

Banking conditions in the Central West continue to improve, and it is the prediction of Walton H. Holmes, president of the pioneer Trust Company of Kansas City, that the coming year will witness a complete restoration of business in this territory. "I believe that all factors entering into the business life of this part of the country are combining for a prosperous year," said Mr. Holmes. "We have had rather an unfortunate year on account of the drouth of a year ago, which continued until late in the past summer. But this winter has been excellent for wheat, and the ground is in fine condition for spring planting. Of course it is still too early to make definite predictions, but I can say that the outlook is most favorable. From the best information I can obtain I consider the banks of this territory in good shape with no cause for uneasiness anywhere. Of course we look with concern toward the East. The political activity is reflected in the feelings of the people. But there is no real cause for uneasiness in this part of the country. We are doing well."

Reserves Well Up

Recently the comptroller of the currency published a complaint that many of the national banks of the country were loaning beyond the reserve point. This has led to some inquiry among the banks, both national and state, of the Central West with reference to legal reserve, and a gratifying situation was developed. In reserve cities the law requires that national banks keep 25 per cent of their

deposits in cash and sight exchange always on hand. This is supposed to be an insurance against unsound banking. In practically all of the national and state banks in this territory the reserve is nearer forty, and in many cases almost 50 per cent of the deposits. Some of these banks might be criticised for excess of caution, which keeps profits down to too low a point, but safety is the main idea with most of these institutions, and they are willing to sacrifice dividends to that end.

American Union Trust Still Unsettled

The complicated affairs of the American Union Trust Company of Kansas City, which took over the All Day and Night Bank of Kansas City last summer and failed as a consequence, have not been settled. For more than three weeks the Missouri banking department officials have been at work in an effort to pay off the depositors and promises have been made for settlements on various dates, but there have been no satisfactory results. On Tuesday last officers of the trust company met with John Swanger, bank commissioner of Missouri, and an announcement was given to the press that only a matter of \$10,000 stood between the depositors and a settlement. During the past few days the officers of the defunct bank have been negotiating with a number of outsiders with a view to refinancing the company and paying the bank's obligations. The Commerce Trust Company of Kansas City, it is said, is willing to assist in making a settlement. When the trust company failed the bank department owed depositors \$214,000. Of this amount the bank commissioner has collected \$100,000 and since then the directors have been trying to raise the rest. There seems to be good reason to believe that some basis of settlement will be reached very soon, and that a receivership will not be resorted to.

Interesting Questions Discussed at Meeting

The County Treasurers Association of Nebraska met in Omaha the latter part of last week and several subjects were discussed of special interest to bankers. On the opening day President Hevelone, treasurer of Gage county, told of the test case now in the supreme court of Nebraska to determine the validity of the amendment passed in 1911 to the bank guarantee law, providing that banks operating under the guarantee law, in which county funds are deposited, need not give the county any special security for the funds. A Gage county bank, named as a county depository by the county board, made a demand on Mr. Hevelone for a deposit. Mr. Hevelone refused on the ground that a law passed in 1891 provides that the bank shall give security and the law of 1911 did not expressly repeal the law of 1891. The bank brought mandamus proceedings and the district court sustained its contention. Mr. Hevelone appealed the case to the supreme court, in the meantime making the deposit as ordered by the district court.

"All the other banks are giving the security pending the settlement of this case," said Mr. Hevelone. "We want to know just where we stand, for we could be held personally liable for losses on deposits made in compliance with the 1911 law, if that law is not good."

Frank A. Furry, of Douglas county, advocated the exemption from taxation of county, municipal and school district bonds, and told of the fruitless efforts that had been made to get such a law passed. "Exemption of these bonds," he said, "would broaden the bond market, keep money at home and encourage home investment. The school teachers of the state save their money and would rather invest it in bonds of their home county than keep it in the bank at 2 per cent interest, were it not for the fact that they are taxed 2 per cent on such bonds. Farmers and workingmen would also buy the bonds. At present many are hoarding their money. Between \$50,000 and \$60,000 has been brought out of socks, cans and jars to be placed in the new postal savings bank of Omaha. The state, counties and cities would not notice the difference in revenue if the tax were removed, for the majority will not return their bonds for taxation. I'll venture to say that not over \$200,000 worth of bonds are taxed in all Nebraska and that fully \$200,000,000 worth are owned in the state. It's the same way with money. In the banks of Omaha are between \$55,000,000 and \$60,000,000 and only about \$200,000 of it is returned for taxation."

Delinquent Corporations

Federal authorities in Nebraska, Kansas, Missouri and Oklahoma are having a very hard time of it just now in their attempts to round up delinquent corporations that have not reported the status of their business for the year 1911. In Oklahoma there were about 2,000 such delinquent corporations. Prosecutions were so vigorous in Nebraska that at the end of the year 1911 there were only a few hundred delinquents and in Kansas the record is almost as good. This is one of the hardest of all federal statutes to enforce in the Central West territory and thus far the authorities have been very lenient with offenders.

Topeka Case Settled

The troubles of the Aetna Building and Loan Association of Topeka have been settled. This is the second largest financial institution in the state and trouble within the association has been brewing for six months on account of the alleged unbusiness-like methods used by some of the officers and employees. The association has 17,000 stockholders and an entirely new board of directors has been agreed upon by both factions. The new directors are: H. S. Emerson, Britton, Okla.; W. H. Eastman, Topeka; Matt. Weightman, Topeka; W. F. MacFerran, Topeka, and J. L. Rains, Perry, Kan. In all probability Mr. Emerson will be elected president. J. N. Dolley, bank com-

missioner of Kansas, has been very active in the affairs of the institution.

Central West Notes

J. B. Snead, the Amarillo, Tex., banker who shot and killed Captain A. C. Boyce in Fort Worth two weeks ago, has been released on \$35,000 bond. Boyce's son eloped with Snead's wife several months ago and Snead's attorneys say they will show a conspiracy between the father and son.

J. E. Jarvis, president of the Cowley County Bank of Winfield, Kan., has purchased the Baden Mill of that place which is one of the oldest and most successful milling plants in Kansas.

C. A. Brower, vice-president of the Puget Sound Savings Bank of Tacoma, Wash., with his wife spent several days recently in Kansas City visiting Mrs. Brower's father, N. J. Hall. In 1892 Mr. Brower entered the National Bank of Commerce of Kansas City as telephone boy. He has many acquaintances among the business men and bankers of Kansas City.

Henry G. Goll, former assistant cashier of the First National Bank of Milwaukee, has been released from the federal prison at Leavenworth on parole. He spent the same time behind prison bars that Frank G. Bigelow, president of the same bank, served—nearly six years of a ten years' sentence.

Springfield, Mo., is to have a fourteenth bank. It will be known as the Drovers Bank and will have \$50,000 capital.

A. J. Russell, whose death has been reported from Los Angeles, was formerly in the banking business in Wichita, Kan. He was connected with the Kansas National Bank of that city for twenty-five years, much of the time in the capacity of receiving teller.

The annual meeting of the Bankers Deposit Guarantee and Surety Company of Kansas held its annual meeting in Topeka last week. The report for 1911 showed that the company's net earnings were \$30,000. The company was organized to insure the deposit of state and national banks. About forty bankers from outside of Topeka were present.

W. T. Watson, assistant bank commissioner of Kansas, has resigned to enter business. His successor has not been named.

Cracksmen blew the safe of the First National Bank of Woodville, Okla., the night of January 24th, securing loot to the value of \$2,400. No arrests have been made. In attempting to install a new safe in the bank the next day, M. U. Ayres, cashier of the bank, suffered a broken leg.

Among the visitors to Kansas City's financial section last week were: John R. Mulvane, of Topeka, president of the Bank of Topeka; T. J. Sweeney, vice-president of the Peoples National Bank, Lawrence, Kan.; H. K. Givens, president of the Farmers and Merchants Bank of Fayette, Mo.; J. H. Gasson, vice-president of the Peoples State National Bank of Custer City, Okla.; W. E. Haines, vice-president of the Bank of Commerce, Alva, Okla.; C. H. Snyder, cashier of the Manufacturers National Bank of Leavenworth, Kan.; W. S. Huston, cashier of the Wood & Huston Bank, Marshall, Mo.; W. A. Sanford, vice-president of the Joplin Trust Company, Joplin, Mo.; J. W. Leponin, cashier of the Climax State Bank, Climax, Kan.; John T. Mitchell, president of the Bank of Centralia, Mo.; R. H. Hazlett, president of the El Dorado National Bank, El Dorado, Kan.; John A. Cragin, president of the First National Bank, Joplin, Mo.; G. T. Meehan, cashier of the Farmers Bank, Norborne, Mo.; W. I. Thompson, cash-

ier of the Bank of Blue Springs, Mo., and "Coin" Harvey, who gained his title on account of the financial book he wrote during Bryan's first campaign. He now lives at Monte Ne, Ark.

UP-TO-DATE TRUST COMPANY WORK

The recent exchange of over \$85,000,000 of American Tobacco Company bonds for bonds and cash of the Liggett & Myers Tobacco Company, and P. Lorillard Co. was accomplished with remarkable precision and dispatch. The Guaranty Trust Company of New York, which has had charge of the reorganization plan approved by the circuit court, paid out in cash in less than two weeks over \$50,000,000, in addition to the bonds and stock which were exchanged for American Tobacco Company securities. This was all done very promptly and with absolute accuracy, so that in spite of the enormous amount involved the books balance to a cent.

The exchange of securities made necessary by this reorganization plan involved the signing of several hundred thousand separate personal signatures, all of which had to be affixed within a few days. This was accomplished by the use of the new signograph machine, which enables one man to reproduce his own signature eighteen times with one operation. Every one of the several thousand transactions produced fractions, which multiplied the intricacies several fold. These fractions were eliminated by the simple method of purchasing or selling the fractional shares.

Preparations for the enormous amount of detail involved in this reorganization were made by the trust company several weeks in advance. Mathematical tables were prepared showing the exact amount of bonds, scrip, and cash exchangeable for the various amounts held by security holders of the American Tobacco Company. Blank forms by the score, exclusively for this reorganization, were invented and printed, and every effort made to cut corners and facilitate the rapid progress of the work. Because of this ample preparation it was possible, with no greater delay than attends the ordinary transfer of stock, to make the exchange of approximately \$85,-

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The cheques will be advertised not only in many of the leading Monthly Magazines, but also in the Saturday Evening Post, Sunday Newspaper Magazines, Daily Papers in large cities of the United States, and other publications.

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000,000 in bonds and \$52,000,000 in the preferred stock of the American Tobacco Company, and issue \$36,000,000 in common stock of the two new companies.

The rapidity and accuracy with which this reorganization was consummated by the Guaranty Trust Company of New York is significant comment on the efficiency of the well organized modern trust company, and its ability to readily adapt itself to the largest and most complex propositions.

NEW A. B. A. MEMBER BANKS

Following is a list of members joining the American Bankers Association for periods beginning Wednesday, January 3d, and ending Tuesday, January 23d, both inclusive:

Alabama—Orrville, Orrville Bank and Trust Company; Pollard, Bank of Pollard.

Arizona—Kingman, Citizens Bank.

Colorado—Mancos, the Bauer Bank; Yuma, Farmers State Bank; Cedaredge, Bank of Cedaredge.

Georgia—Byromville, Farmers and Merchants Bank.

Illinois—Chicago, Franklin Savings Bank; Blue Island, Blue Island State Bank.

Maine—Ellsworth, Hancock County Savings Bank.

Minnesota—Amboy, First National Bank.

Missouri—Crystal City, Crystal City State Bank.

Nebraska—Lincoln, Poulson & Colburn.

New Hampshire—Winchester, Winchester National Bank.

New Jersey—Eatontown, First National Bank; Boonton, Farmers and Merchants Bank.

New York City—31 Nassau, R. N. Grant & Co., Bankers.

Ohio—Peninsula, Peninsula Banking Company.

Oregon—Oakland, Commercial Bank.

Pennsylvania—Finleyville, First National Bank; Hawley, the Hawley Bank; New Wilmington, First National Bank.

Texas—Leroy, the Leroy Bank.

Washington—Ephrata, Davis & Bassett, Bankers.

Wyoming—Hulett, Hulett State Bank.

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New Trains to ST. LOUIS

VIA THE



NEW ALL-STEEL TRAIN DAYLIGHT SPECIAL

Leaves Chicago 10:02 a. m., arrives St. Louis (via Merchants Bridge) 6:02 p. m. New indestructible steel cars of handsome interior finish. Every comfort and convenience will be found on this train.

NEW EVENING TRAIN ST. LOUIS EXPRESS

Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m. An up-to-date train in every particular, with an early evening departure from Chicago.

New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped throughout, with a late evening departure from Chicago. Stops made in both directions at South Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars, Sleeping Cars. Free Reclining Chair Cars and Coaches.

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

A. V. Ostrom, three years an assistant cashier, was, on Tuesday, elected cashier of the Northwestern National Bank, to succeed F. L. Holton, resigned to go into business. S. H. Plummer, chief clerk, and H. J. Riley, paying teller, were made assistant cashiers, succeeding E. L. Mattson, resigned to be cashier of the Scandinavian-American National, and Mr. Ostrom, promoted.

Mr. Plummer has been in banking fourteen years, starting with the Bank of Minneapolis, and for thirteen years he has been with the Northwestern National. Mr. Riley was paying teller with the National Bank of Commerce, when absorbed by the Northwestern, while Mr. Ostrom was with the Swedish American National.

Refused Entrance to Graduating Exercises

W. F. McLane, cashier of the Hennepin County Savings Bank, is one of the indignant parents who did not see their children graduate at the West High School last week. Mr. McLane and other fathers were shut out because the auditorium was full before they got there. The parents stood on the fringe of a crowd at the door and waved tickets in vain. Although identification was waived by the door tenders, city ordinances as to standing room had to be observed whether an occasional parent missed the event of their children's lives or not. Mr. McLane's indignant attitude, coupled with the indignant attitude of other fathers and mothers, may result in a complete overhauling of the system of pulling off grade and high school graduations. "I got there at five minutes of 3 o'clock, the hour," said Mr. McLane regretfully. "I could have gone out at noon if I had thought it necessary."

Ditch Bonds Safe

Minnesota's little hoard of \$2,700,000 ditch bonds in the permanent trust funds is safe, following a supreme court decision about a suit in Roseau county. A taxpayer sued the

county commissioners to restrain sale of the bonds on the ground that he would have to pay interest and receive no benefit because the ditch is in another part of the county. These bonds were indirectly held valid obligations of the county, the court holding them to be valid general obligations of the state. The county recoups itself by assessing benefited property.

Editor Charged with Criminal Libel

Officials of the Dakota County State Bank of Lakeville, Minn., obtained a warrant from the county attorney, charging Ham Clay, editor of the Dakota County Tribune, of Farmington, Minn., with criminal libel. According to W. A. Sanels, assistant cashier, Clay printed a statement in December that a

bank in Lakeville was in financial jeopardy, not giving a name; and there is but one bank. The charge was made, further, that Clay the next week charged that a cashier of a bank of that section of the county was playing the market, giving absolution by name to all other banks. Two weeks later the statement was printed, the complainant says, that Lakeville needs a new bank and in conversation the editor advised withdrawal of deposits from the particular bank because of unsafe conditions. The bank officer says that the attacks are because the bank did not print its annual statement in the Tribune. When the paper did not get the contract, the complainant says, Clay published a statement that the bank had its report printed in Hastings, twenty-five miles away, to cover its condition.

Legal Bank Decision

Decision of the lower court in the case of F. G. Wasgett, executor, appellant, against the First National of Blue Earth, Minn., is affirmed by the supreme court of the state as follows:

A check on a bank in which the drawer has funds subject to check is an assignment of such funds of the drawer to the amount of the check, which assignment is complete as between the drawer and payee when the check is given, and complete as between the payee or holder and the bank when the check is presented for payment. Upon such presentation the bank, unless its right to pay has been taken away by some occurrence before presentation, is legally bound to pay the check.

Theory of New Credits Tax Law

Suit to determine the new credits tax law of Minnesota has been brought by a Winona institution. The theory is that the statute of 1911 is a new law covering the entire subject, and therefore none of the old provisions of the statute relating to the taxation of that kind of property is now applicable unless expressly referred to; even if the old statute has not



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CHAS. A. DISBROW,
President, Commercial Bank.
HARRY W. DAVIS,
HARRY HERTZLER,
President, Carlisle Trust Company.

HARRY D. JONES,
Cashier, Pennsylvania State Treasury Department.
MERKEL LANDIS,
Treasurer, Carlisle Trust Company.
GEO. O. MOTTER,
Cashier, Peoples' National Bank.

been discarded, it is, as applied to the new system, unconstitutional under the amendment of 1906, commonly known as the "wide-open tax amendment;" and the new law in its classification follows this 1906 amendment, and consequently is constitutional.

The fact that the old law yielded the state only \$13,919,806 in 1910, while the new one brought in \$115,481,807 in 1911, is cited in the brief.

Banking Notes

Former Congressman Bonyng is still speaking in Minnesota and will make a return talk at St. Paul in the near future under auspices of the Association of Commerce

Two state banks at McGregor, N. D., on the new line of the Great Northern road, have consolidated. The McGregor State bought the First State, continuing under the first name. The First was one of the Tallman line of banks. The other bank was owned by W. D. McClintock and W. C. McClintock of Rugby, N. D., and E. R. Reitsch of Rockford, Ill.

Increase in business was reported at the annual meeting of the Savings Bank of Minneapolis, when President Adam Hannah was re-elected. Bela W. Smith and Ketil Stensrud were returned as vice-presidents and Edward Matteson as treasurer. Directors were re-elected also.

EMBEZZLER ARRESTED

Boston, Mass.—His love for the clarinet, which brought him to the New England Conservatory of Music to study, led to the arrest last week of Sidney E. Balcom of Rocky Ford, Col., who, the police say, admitted that he embezzled \$1,250 from the First National Bank there, of which he was teller. The police say that Balcom, who is 23 years old, disappeared with \$250 in gold and one thousand silver dollars of the bank's funds last November. When he was arrested while practicing on the clarinet at a conservatory of music dormitory he said, according to the police, that he gave \$800 of the money to a taxicab chauffeur, who drove him home one night. Balcom says he will not resist extradition.

ILLINOIS BANKER DEAD

Galesburg, Ill., January 31.—Albert D. Metcalf, president of the Oneida State Bank, died last night of apoplexy.

San Antonio, Tex.—J. M. Bennett, Sr., has been chosen president, R. J. Kleberg and E. B. Carruth vice-presidents, J. M. Bennett, Jr., treasurer and James Anderson secretary of the new Standard Trust Company. The institution is capitalized at \$250,000.

Philadelphia

A dinner in honor of Effingham B. Morris, president of the Girard Trust Company, was given last week by Joseph Moore, Jr., president of the National Bank of Northern Liberties. The ostensible purpose of the dinner was to entertain the members of the clearing house committee, but the spirit of the occasion was to offer a testimonial of the high esteem which the bankers felt for Mr. Morris who represents the trust companies in the clearing house.

Among the guests were the following bank presidents, who constitute the clearing house committee: Levi L. Rue, Philadelphia National; Francis B. Reeves, Girard; S. S. Sharp, Penn; Howard W. Lewis, Farmers and Mechanics; J. Tatnall Lea, First; J. R. McAllister, Franklin; Effingham B. Morris, Girard Trust, and Joseph Moore, Jr., National Bank of Northern Liberties.

Samuel Y. Heebner has been elected president of the Philadelphia Trust, Safe Deposit and Insurance Company in place of Roland L. Taylor, who recently resigned from that position. John Story Jenks will remain vice-president.

With the opening on Monday of the new West Philadelphia Bank, the city's latest financial institution, the large and growing business and residential section west of the Schuylkill river has come into possession of its first open at night bank. From 7 to 10:30 o'clock on Monday, Thursday and Saturday nights the doors of the new bank will remain open in order that check and savings depositors may make deposits after the usual banking hours. The West Philadelphia Bank has a capital of \$100,000, and a surplus of \$25,000. The officers are: President, J. Milton Lutz, first vice-president of the First National Bank of Clifton Heights, and a former member of the state legislature from Delaware county; first vice-president, Frank H. Benham, president of the real estate brokerage firm of William J. Benham, Inc., 5146 Market Street; second vice-president, Harry J. Rittenhouse, proprietor of a chain of meat and provision stores in West Philadelphia; cashier, Jan Van Herwensen.

A special meeting of Equitable Trust Company stockholders has been called for February 8th, to vote on a proposition to merge with the Continental Trust Company. Directors of both institutions have already approved the proposition. T. M. Daly, president of the Continental, has been chosen president of the new combination; John M. Campbell, William F. Harritty, John McGlinn, Jeremiah J. Sullivan and John R. Umsted,

vice-presidents; John F. Skelley, secretary-treasurer; Frank J. Johann and John V. Loughney, assistants to secretary-treasurer; John H. Connellan, title officer, with Alfred Harris, Jr., assistant; C. Percy Wilcox, trust officer. The name of the new company will be the Continental-Equitable Title and Trust Company; the capital will be \$1,000,000 and surplus, \$1,000,000. The undivided profits are to be determined by auditors and accountants.

Shareholders of the Northern National Bank will hold a special meeting on February 27th to vote on a proposed increase in the number of directors.

The Southwark National Bank will make extensive alterations to its banking house at 610 South Second Street. The building will be enlarged and new safe deposit vaults installed.

Directors of the Philadelphia Trust, Safe Deposit and Insurance Company have elected Samuel Y. Heebner president of the company to succeed Roland L. Taylor, who resigned recently.

The Fourth Street National has been appointed reserve agent for the Farmers National of Belleville, Pa.

EXPERT NECESSARY

Windsor Locks, Conn., January 31.—That it will be two months and possibly longer before the condition of the Windsor Locks Savings Bank is determined, is the substance of a statement made by C. F. Cleveland, its treasurer. Both Mr. Cleveland and President George Glover say that they nor any one else can tell whether or not there will be a shortage until the books of the bank have been gone over by an expert.

The bank, against which a restraining order was issued by the courts Saturday, at the request of the state banking commission, had on September 1, 1911, assets of \$420,247.56, with deposits of \$403,816.78.

Attention was first drawn to the bank when the bank commissioners ascertained that there had been no trial balance taken since business was begun in 1871. The death of Alfred W. Converse, for 40 years treasurer, who accidentally shot himself, was also an indirect factor to the investigation.

Many of the bank's depositors are employees of the local mills, but other than going to the bank and asking for their money and departing in an orderly manner when the situation was explained to them, there has been no excitement.

The Union Trust Company, Detroit, Mich., is to increase its capital stock from \$500,000 to \$1,000,000.

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

**Assets Over
\$16,000,000**

The Seattle National Bank

OF SEATTLE, WASHINGTON

SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

R. V. ANKENY, Cashier
J. FURTH, Chairman Board of Directors

Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and coast points.

Pacific Northwest Banking News

Spokane, January 30.—Trustees of the Spokane Chamber of Commerce elected R. Insinger, manager of the Northwestern and Pacific Hypothekebank, president of the organization at an adjourned meeting on January 24th, to succeed Edwin T. Coman, president of the Exchange National Bank, who served a year. Mr. Insinger has been actively identified with the chamber since coming to Spokane. He served as vice-president, chairman of the finance committee and a member of the publicity committee for several years. He also served as chairman of the board of control of the National Irrigation Congress at the convention in Spokane in 1909, also as chairman of the board of governors at the Chicago convention in 1911, when he was elected first vice-president. Mr. Insinger is supported by a board of 20 members, representative of the commercial and industrial interests of Spokane. The organization has 1,100 members and its expenditures amount to \$100,000 a year. A. F. McClaine, president of the Traders National Bank, was elected treasurer of the chamber, succeeding Thomas H. Brewer, president of the Fidelity National Bank.

Twentieth Anniversary of Old National

D. W. Twohy, president of the Old National of Spokane, has received many congratulations on the twentieth anniversary of the institution. Starting on January 15, 1892, with deposits of \$100,000, when Spokane numbered 23,000 souls, when its charter was renewed for 20 years, its deposits aggregate \$8,700,000, whereas the population of the city is about 104,000. While the city has grown more than 452 per cent, the bank has increased its deposits 8,700 per cent. This progress is declared to be unprecedented, and is looked upon as the most tangible evidence of the wonderful commercial development of Spokane and the Inland Empire. The reassuring feature in this marvelous expansion of the bank's business is that it has encouraged the development only of legitimate, safe and worthy enterprise of the Spokane country.

Loans on Local Real Estate at Lower Rates

C. H. McMillan, vice-president of the Mercantile Trust Company of St. Louis, announced in Spokane a few days ago that the corporation will consider applications for loans on local real estate at rates of interest ranging from 5½ to 6 per cent, or from 1 to 1½ per cent lower than the usual charge. Money is to be loaned on improved business property in central locations, and on property farther out, and it is stated that the rates will be lower than offered at present, especially on a class of property that heretofore has been classified above the minimum rate by loaning organizations.

Small Washington Banks in Splendid Condition

J. L. Mohundro, state bank examiner, who was in Spokane a few days ago, the guest of

R. Lewis Rutter, vice-president and manager of the Spokane and Eastern Trust Company, said that the small banks in Washington were never in as good condition as to-day. Washington state banks loaned more than \$1,600,000 to small banks in 1910, while last year only \$800,000 was loaned in the same sources. This shows that the small banks and the farmers, orchardists and the country dealers are on a more sound footing than ever. The reserves are over 33 per cent, or 13 per cent ahead of the requirements of the state law.

Dynamite Did Not Go Off

When W. F. Harvey, paying teller at the Traders National Bank, found a stick of dynamite with cap and fuse attached imbedded in a lump of coal at his residence, 1103 East Thirty-second Street, the morning of January 21st, he telephoned for the police, believing himself a marked man. Investigation by detectives disclosed the fact that the explosive was placed by workmen at the mine and was missed when the other charges were set off. The charge failed to explode under the rough handling, including the time of its min-

ing, loading and unloading into cars and transportation to the Harvey bin.

Charles E. Meek to Speak in Spokane

Charles E. Meek of New York, vice-president of the Fourth National Bank of New York City, and Franklyn H. Wentworth of Boston, secretary-treasurer of the National Fire Protective Association, scheduled to speak at the meeting of the credit men of the Spokane Merchants Association on February 7th, will be entertained by city officials, the chamber of commerce and insurance men during their stay in the city.

Will Improve Land

H. C. Rutherford, owner of 300 acres of orchard land at Pleasant Prairie, near Spokane, has secured a loan of \$10,000 from the Continental Life Insurance Company. The money will be used in improving the property. A. A. Lewis says numerous other loans are being arranged for in the same locality and that much improving of orchards in Pleasant Prairie will result early the coming spring and summer.

Petitions for Pardon of H. M. Boone

Governor Marion E. Hay of Washington, who has received many letters and petitions urging him to pardon H. M. Boone, president of the defunct State Bank of Palouse, convicted and sentenced to serve from one to ten years in the state penitentiary, has requested Judge Neil, of the superior court of Whitman county, not to issue a commitment, pending the examination of the evidence. The supreme court recently denied a motion for a new trial.

Welty Will Ask for Writ of Habeas Corpus

H. J. Welty, former president of the defunct bank of Bellingham, Wash., who was convicted of accepting deposits knowing the bank was insolvent, will ask for a writ of habeas corpus. He declares that one of the jurors sitting at his trial is and was insane and has been returned to the asylum. Friends at Colfax have signed a bond of \$10,000 to secure his release until further legal action can be taken.

Banking Notes

Edgar S. Wyman, former cashier of the defunct State Bank of Commerce, at Wallace, Idaho, entered a plea of "not guilty" to issuing false reports as to that institution's condition at a preliminary hearing a few days ago. At the trial he will face three indictments, each charging the same offense, but naming different alleged false reports as a basis of separate bills.

Conner Malott, manager of the mortgage department of the Spokane and Eastern Trust Company, has returned from a trip through the Middle West.

J. K. McCornack, vice-president of the Union Securities Company of Spokane, has become president of the Union Farm Com-



**The Old National Bank
OF SPOKANE**

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

—OFFICERS—
D. W. TWOHY, President
T. J. HUMBIRD, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

J. S. & W. S. KUHN

INCORPORATED

INVESTMENT BANKERS

First National Bank Bldg., Phone Central 6400

PITTSBURG

CHICAGO

PHILADELPHIA

Guaranteed
Irrigation Bonds.
Guaranteed Water Works Bonds.
Public Service Bonds.
Municipal
Bonds.

There never has
been a day's delay in the
payment of either the principal
or interest on any bond
we have sold.

pany to hold and handle the lands owned by the first named company. The new corporation is capitalized at \$250,000. J. C. Donnelly, secretary of the Union Securities Company, is secretary-treasurer.

National Bank of Cheney, Wash., declared a quarterly dividend of 2 per cent at its annual meeting on January 19th, when these officers were re-elected: President, Edward F. Betz; vice-president, Peter C. Hanson; cashier, A. N. Rolfe.

Samuel Galland, secretary of the Northwest Loan and Trust Company, probably will succeed J. Grier Long, president of the Washington Trust Company, as head of the Spokane Clearing House Association. W. D. Vincent, cashier of the Old National Bank, will remain as secretary-treasurer-manager.

Frank M. March, president of the National Bank of Commerce of Spokane, is having plans prepared for a country residence of Colonial type, which will be erected this spring on his 10-acre tract on Moran Prairie, at a cost of \$20,000. The house will be of 12 rooms and cover 60 by 75 feet, in addition to which there will be an 11-foot wide veranda on two sides. A fully equipped garage will also be erected and several thousand dollars will be spent in landscape gardening.

City commissioners of Spokane, sitting as sinking fund commissioners, have authorized the sale of \$52,000 in improvement bonds, a debt against abutting property, to pay for the North Wall Street day labor paving project. The proceeds are to reimburse Jay P. Graves for the amounts he has advanced to Commissioner Coates for the financing of the work under the day labor plan.

Trustee Company of Spokane paid its annual dividend of 6 per cent on January 20th. The amount of the disbursement was \$10,875. This is in addition to the dividends paid to unit holders, amounting to about 7½ cents. The company has a capital stock of \$200,000.

J. B. Crain, president of the Bank of Pasco, and Robert Jahnke, president of the First National Bank, are among the trustees of the chamber of commerce to be organized at Pasco, Wash.

Spokane's new city hall, to be erected at once at Front Avenue and Wall Street, will cost \$323,980. It will be six stories in height, built of brick, and is to be completed before the close of the year.

Cyrus Happy, who is interested in several banking institutions in Spokane, will erect two three-story brick buildings this spring at a cost of more than \$100,000.

CANADIAN BANK ROBBED

Vancouver, B. C.—Two armed men entered the Hillcrest branch of the Royal Bank of Canada Friday, drove Manager Steaves and one of his clerks into the vaults, knocked the other clerk out with a blow of the revolver butt, and escaped with \$1,999. This is the fourth time in two years that a branch of the Royal Bank in Vancouver has been held up.

Seattle

C. S. Harley, cashier of the Citizens National Bank has received a telegram from the comptroller of the currency stating that the application to change the name of that institution to the Mercantile National Bank has been granted. The capital stock has been increased to \$200,000. The merger of the Citizens National Bank and the Mercantile Bank has now been completed, the change in name having been the last step. The officers of the Mercantile National Bank are: W. N. Redfield, president; M. J. Henahan, D. B. Fairley, J. Jaffee and Franklin Sheuy, vice-presidents; C. S. Harley, cashier; B. F. Harley and E. W. Campbell, assistant cashiers.

National and state banks of Washington passed all records in bank deposits on December 5, 1911, when the total of deposits of all kinds and amounts due to banks aggregated \$192,629,543—\$5,550,000 more than any previous amount reported by the banks of Washington. The state banks show an increase in deposits of \$6,000,000 during the year. Both national and state banks decreased their loans, the decrease being about evenly divided between the state and national banks. Resources have been increased \$7,500,000. The savings deposits, with a total of \$40,326,537, beat all previous records of the state in December.

BANKERS' APPEALS DENIED

Olympia, Wash.—The state supreme court Saturday denied the motion for the new trial of H. M. Boone, convicted of wrecking the Palouse State Bank, and sentenced him to ten years in the penitentiary. Several months ago a petition for pardon was presented to Governor Hay but no action has been taken. The Palouse State Bank failed in May, 1909. The following year Boone was convicted of larceny by embezzlement of \$20,000 of the money of the depositors.

The state supreme court has also denied the petition for a rehearing of the case of Harry J. Welty, the convicted president of the defunct Home Security Bank, of Bellingham, for accepting deposits when he knew it to be insolvent. Welty was convicted in the superior court and sentenced to serve from three to ten years in the state penitentiary, and upon appeal the decision was affirmed by the supreme court. Welty made a petition for a rehearing, which has now been denied.

BANK TO INCREASE CAPITAL

The directors of the First National Bank of Boston have voted to recommend to the stockholders an increase in the capital stock from \$3,000,000 to \$5,000,000 by the issuance of 20,000 shares at a par value of \$100 and to be sold at \$300 a share. It was further voted to call a stockholders' meeting for March 1st to act formally on the capital increase.

Application has been made to organize the First National of Kent, Wash., capital \$50,000.

San Francisco

Receiver Frank J. Symmes, of the California Safe Deposit and Trust Company, which closed its doors in 1907, since which time it has paid one dividend of 10 per cent to the depositors, now states in his official report that \$1,000,000 is offered for the remaining assets of the bank. These include the bank building—worth about \$400,000—and the cash in the receiver's hands, amounting to something over \$100,000. As the proceeds from the sale of the building would have to go to satisfying the trust claims, the \$600,000 that is left to be distributed among the depositors would amount to 7 cents on the dollar for their claims. According to the published statement of one of the attorneys in the case, "The California Safe Deposit and Trust Company was not a bank; it was simply a den of thieves who not only stole securities of value deposited with the institution, but actually robbed the bank itself by means of fictitious accounts and by overdrafts."

Los Angeles.—In order to reduce the surplus account of the Security Savings Bank to an even million dollars before the absorption of the Equitable Savings Bank the directors have declared an extra dividend of 20 per cent on the bank capitalization, making the amount paid during 1911 35 per cent, or \$355,000.

John C. Sterling, former cashier of the Union Safe Deposit Company of Stockton, who has confessed to embezzling \$15,000 from that bank, has begun serving a five-year term in San Quentin. Sterling's method of procedure in his peculations was similar to that employed by George A. Terry, the young bank clerk who not long ago robbed a San Francisco institution of \$14,000. When totaling the savings deposits of the bank he included the \$15,000 without printing it on the adding machine, by striking the keys after placing the paper reel so that the figures would not be printed.

TRUE BILLS IN BANK CASE

Boise, Ida.—The second grand jury called to investigate the affairs of the defunct State Bank of Commerce of Wallace, Ida., has completed its task after two weeks of deliberation and all of the true bills returned correspond with the original indictments. State officials here feel confident that the responsibility for the failure of the Wallace bank will be placed. Another attempt will be made to bring B. F. O'Neil, former president of the defunct bank, back to Idaho to face the indictments. O'Neil went to Vancouver after the bank crash. He was indicted by the first grand jury and a spirited fight made to bring him back, but he took advantage of the protective laws of Canada and won.

Green Bay, Wis.—J. H. Taylor succeeds Wm. Larson as president of the McCartney National Bank, and Mr. Larson becomes vice-president.

JOHN McHUGH - President
 JOHN J. LARGE - V.-Pres.
 W. L. MONTGOMERY, V.-Pres.
 HENRY G. WEARE - V.-Pres.
 F. A. McCORNACK - V.-Pres.
 H. A. GOOCH - Cashier
 O. D. PETTIT - Asst. Cashier
 FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
 BUSINESS AND OFFER
 YOU EXCEPTIONAL
 FACILITIES. CORRE-
 SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
 Excellent Collection Facilities

ARTHUR REYNOLDS, President
 J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
 C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
 W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
 C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
 Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
 Savings Bank that Makes a Specialty of
 Collections and Bank Accounts

Largest Bank in Clinton
 County

Des Moines, January 31.—The statute providing for the taxation of moneys and credits as passed by the last legislature continues to bother assessors. At the request of Knoxville parties, Special Counsel Robbins in the office of the attorney-general gave another opinion as to the meaning of the law and sent out an explanation as to more of its details. Mr. Robbins was asked to define the term "moneyed capital." Mr. Robbins quotes from the supreme court and defines it as follows: "capital employed in national banks and capital employed by individuals when the object of their business is the making of profit by the use of their money capital as money. But it does not include moneyed capital in the hands of corporations even if its business be such as to make its shares moneyed capital when in the hands of individuals."

In answering detailed queries relative to the working of the law, Attorney Robbins says that if a citizen's sole income is derived from notes and mortgages, and he loans his own money, the property is assessed on the basis of 20 per cent of its actual value. If a resident is engaged in the merchandise business and has money loaned at interest his money so loaned is to be assessed at the rate of 5 mills providing the loan is incidental and that the holder is not engaged in the buying or selling of securities. If a resident of the city has a checking account and also a time certificate in a bank drawing 4 per cent, both accounts shall be taxed on the 5 per cent flat rate basis. This is upon the assumption, however, that the party is not engaged in such business as would make these items moneyed capital as defined by the supreme court and explained in the beginning of the opinion.

D. L. Heinsheimer

It appears that D. L. Heinsheimer, the veteran Glenwood banker, has retired from the presidency of the Mills County National at that city. He has been succeeded by A. J. Gettler. Recently it was stated that Mr. Heinsheimer had disposed of his mercantile business but would remain as president of the bank, and this statement is not correct. Mr. Heinsheimer has gone with his family to California to spend the remainder of the winter but will return to Iowa in the spring. He expects to take life easier in the future than heretofore.

National Citizens League

The National Citizens League, which proposes to work for remedial legislation in the way of banking and currency laws, is getting actively started in Iowa. President Robert L. Fleming of the Iowa branch has secured headquarters in Des Moines and from here the campaign will be conducted most actively. The Iowa organization consists of Mr. Fleming as president; L. H. Bush, special loan agent for the Northwestern Mutual Life Insurance Company, as treasurer, and Emory

H. English, of the Lewis-Wallace Printing Company, secretary. These are all Des Moines men. The vice-presidents are headed by E. W. Stanton, president of Ames College. Others are: John . Bowman, Iowa City, president Iowa University; R. O. Green, Green Wheeler Shoe Company, Ft. Dodge; J. L. Waiter, editor Burlington Hawkeye, Burlington; George W. French, Davenport Wagon Company, Davenport; J. M. Pierce, publisher The Homestead, Des Moines; F. Junkerman, Churchill Drug Company, Cedar Rapids; Ben Bear, Decorah Clothing Company, Decorah; D. W. Norris, Jr., editor Times-Republican, Marshalltown; George E. McLean, president Key City Gas Company, Dubuque; W. E. Brice, president Peoples Gas and Electric Company, Mason City; B. P. Holst, president Holst Publishing Company, Boone; Scott Skinner, postmaster, Creston; L. A. Hammill, wholesale grocer, Keokuk; Lee Nagel, The Replogle Company, Red Oak; Harry J. Green, editor Public Opinion, Decorah.

The announcement has been made that Senator Cummins has been asked to deliver the principal address at the first meeting of the National League at Indianapolis, February 22d. This has served to add interest to the movement in Iowa.

Bank May Move.

The oldest banking room in Cedar Rapids is soon to be left vacant if the Commercial Savings of that city carries out its present plans of removing from its present quarters into the structure originally built for the Merchants National in 1881, which is being remodeled for its new tenant. This is a desirable corner, and it will be put in first-class condition before it is occupied. The American Trust and Savings of Cedar Rapids is also reported to be contemplating the building of a new banking room on property owned by the institution.

Moore Doubts Success of Seattle Municipal Bank

Ernest R. Moore, of Cedar Rapids, well known banker and candidate for republican national committeeman, has some doubts as to whether the municipal bank which the Seattle city council proposes to establish will be a success. Mr. Moore was in Des Moines recently. He is quoted in an interview as stating that the institution should be all right providing it does not get into the hands of unscrupulous politicians. He fears, however, that after the newness has worn off and the people grow less careful in its management, there will be a big smashup. Mr. Moore believes that a city commission such as governs Cedar Rapids, Des Moines, Sioux City and other cities in Iowa, would be much more likely to make a success of the plan since such commission governed cities are handled in a more businesslike fashion than cities under the old style ward aldermanic system.

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
 33 years of continuous conservative and successful banking

OFFICERS
 RALPH VAN VECHTEN, President LOUIS VISHA, Assistant Cashier
 GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
 KENT C. FERRAN, Cashier A. R. SHOUSE, Auditor

Reserve Agents for National Banks

Hayward, Cal.—At a meeting of the stockholders of the Hayward Bank of Savings, it was decided to increase the capital from \$25,000 to \$50,000.

New Bank for Davenport

Davenport, which is one of the liveliest financial centers in the state, is to have another bank. Residents of Northwest Davenport met one night recently and steps were taken for the inauguration of the institution. The bank will have a capital stock of \$50,000. Those interested will meet again February 6th, at which time officers will be elected, directors chosen and details decided upon. The people in this section of the city are far removed from the business district and feel the need of a banking house of their own.

Group 10 Meeting in Ottumwa

The Ottumwa bankers are making ready for big doings when the meeting of Group 10 is held in that city February 12th. They have appointed a committee to take charge of the program. This committee consists of L. A. Andrew, B. P. Brown, R. W. Funk, C. F. Rauscher. It has been decided to give a luncheon at the Ballingall at noon and the afternoon session will be held in the Commercial Club rooms. The speaker has not been announced. This is the only group meeting of which Secretary Hall of the I. B. A. has thus far received definite information other than the date and location as announced in THE CHICAGO BANKER last week.

Sells Farm Land

George E. Roberts, director of the mint and well known ex-banker, has disposed of his section farm in Kossuth county for \$98,400, or about \$154 per acre. This is one of the biggest farm real estate deals for recent weeks in Iowa. J. L. Kamrar, a Webster City capitalist, has purchased a farm of 1,000 acres located near Fort Des Moines for \$100,000. The property formerly belonged to the late Judge Barcroft.

Two Well Known Bankers Indicted

Quite a little excitement has been caused in southern Iowa by the indictment of Elbert Reed and A. E. Mitchell, two well known bankers of Shenandoah. The two men, together with a real estate man named Sheets, are accused of conspiracy in an indictment returned by the grand jury in the court at Marseilles, La Salle county, Illinois. The indictment grows out of the removal of the Swanson Manufacturing Company from Shenandoah to Marseilles. It appears that the three men indicted were looking after the interests of Shenandoah business men and succeeded in getting \$80,000 from the company after its removal and before it went to the wall. This money was distributed among the stockholders in Shenandoah. Now the trio has been sued for \$80,000 and \$20,000 additional as exemplary damages in addition to the indictment. Mr. Reed is interested in banks at Farragut, Hamburg and Coin in addition to his interests at Shenandoah. The accused men deny any conspiracy whatever and the people of Shenandoah are backing them practically unanimously.

Banking Notes

The Savings Bank at Farrar, Polk county, will be removed to Valeria and will be known hereafter as the Bank of Valeria.

T. S. Tweed, cashier of the Farmers State at Lake Mills, was notified last week of the death of his brother, John Tweed, at Missoula, Montana.

The Leavitt & Johnson Trust Company at Waterloo has filed articles increasing its capital stock to \$500,000 and renewing its articles for twenty years.

Milton S. Dewey, president of the Milford National, at Milford, died last week after an illness of three months with cancer. Mr. Dewey was one of the influential citizens of

Milford. He removed to that town from Illinois ten years ago. The remains were taken back to Mazon, Ill., for interment.

New officers for the Tennant Savings at Tennant were elected as follows: President, George Cook; vice-president, Joe Buman; cashier, H. A. Cross.

The Red Oak National announces that it will remodel its building and will add a new front of pressed brick with plate glass windows and a new vault.

William Mall, who has been bookkeeper in the First National at Belle Plaine for three years, has accepted the position of cashier of the Aurora Bank at Aurora, S. D. Charles Houseman succeeds him in the Belle Plaine institution.

James E. Brannigan, arrested in New York and brought back to Davenport to answer charges of forgery, pleaded guilty and was sent up for fifteen years.

James Delaney, vice-president of the First National at Marengo and prominent in financial circles, died at the age of 80 at his home in that city last week.

Homer A. Miller, president of the Iowa National, Des Moines, accompanied by his wife, is making an extended tour to Milwaukee, Pittsfield, Mass., thence to Florida. They have a daughter in school at Pittsfield.

M. F. Kerwick has been chosen vice-president of the First National at Emmetsburg, succeeding the late James Dunigan, whose death occurred last fall.

Postal savings banks will be established February 19th at Batavia, Keosauqua, Lacona, Olin and Waucoma. On February 23d, at Anita, Central City, Kellogg and Moravia.

The charter of the First National at Estherville has been extended to January 23, 1912.

Persistent rumors continue to be bruited about Des Moines to the effect that Arthur Reynolds, president of the Des Moines National, is about to leave our fair city. Formerly, the rumor sent him to Pasadena, but more recent rumors have sent him to Chicago. Mr. Reynolds is at Pasadena at present, so the last named report has not been verified although fellow officials in Des Moines regard it as unfounded.

Among Iowa bankers recently seen in Des Moines are included: Cashier C. E. Lofland, Oskaloosa National; Cashier H. S. Fleagle, Farrar Savings; President William Anderson and Cashier E. W. Knudson, State Bank of Jewell; Vice-President M. E. Smith, Winter-set Savings; Cashier E. S. Henny, Citizens, Pleasantville; President Ernest E. Hart, First National, Council Bluffs; Cashier E. Burch, Citizens State, Rockwell City; President G. H. Thorley, Farmers and Merchants, Springview, Neb.; President Guy Buttes, Nesley Exchange; Cashier R. M. Boyer, Mahaska County State, Oskaloosa; Cashier S. C. Culbertson, Farmers and Merchants National, Jefferson; Cashier M. F. Palmer, First National, Adel; President J. H. Allen, First National, Pocahontas; President E. P. Barringer, Farmers Savings, Ruthven; President Charles Allen, State of Laurens; Cashier E. F. King, First National, Webster City; Cashier H. J. Garlock, State of Maxwell; Vice-President T. A. Erskin, Bank of Runnells; Cashier E. R. Brewer, Bank of Liberty Center.

Bank Clearings for the week ending January 27th gained \$800,000 over the Des Moines clearings for the corresponding week last year.

H. L. Preston, secretary of the Des Moines Trust Company, has disposed of his interest to Guy Brunk, manager of the real estate department. Mr. Preston will take up the prac-

tice of law. Nelson Royal remains as president and John H. Blair as vice-president.

The Rath Exchange of Ackley filed articles with the secretary of state, giving the capital stock at \$50,000. The president is John Rath; vice-president, W. T. S. Rath; cashier, Irvin Blecker.

The Farmers Savings of Garwin has filed articles. The capital stock is given at \$20,000. The president is W. N. Townsend; vice-president, George Rohwer; cashier, C. C. Brath.

Sioux City

By JOHN J. BIDDISON.

If banking does not participate in the general prosperity of the 300-mile radius of Sioux City next summer and fall it will be the fault of conditions not to be foreseen at this time. While the unusually heavy fall of snow has had the present effect of retarding trade activities this winter, it will leave the great agricultural fields of South Dakota, North Dakota, Nebraska and Iowa saturated with moisture. Reports reaching here are that those parts of South Dakota that last summer were as parched and barren as the Sahara have enjoyed even more snowfall than has this immediate vicinity, and that the western half of the state will next spring open the season with old vitality returned, and ready for a season of abundant crops. It is of course possible yet for drouth to undo the work of winter, but it will be harder to accomplish than would be possible otherwise.

Just now, trade is rather dull. The demand for money is not strong, and rates are rather easy. Grain is moving, but slowly, owing to poor roads generally, and money consequently is going into circulation slowly. There is, however, a gradual increase, and the breaking of winter will see money flow freely in the country.

John J. Large in Chicago

John J. Large, vice-president of the First National, paid a visit to Chicago last week, made a little private excursion into the realm of politics, and came home with a perfectly good interview on the presidential situation as viewed by Chicago financial men. He authorized the statement that in his opinion Chicago's big men are deserting President Taft in favor of ex-President Roosevelt. Personally, Mr. Large does not blame them, though that was no part of the interview. He explained the change as being because the former supporters of the president fear he cannot be re-elected and preferred Roosevelt to LaFollette or, perhaps, Cummins, because of his vote getting qualities.

"Blue Sky" Law Movement in South Dakota

A movement has gained some headway among South Dakota bankers for the enactment of a "blue sky" law, similar to that now in operation in Kansas, whereby corporations undertaking to do business in the state must make a showing to the state bank examiner that they are bona fide, and that there is a chance for the investor to get his money back sooner or later. They would have agents required to procure permits to do business, upon application to the state banking department. It is probable that such a law will be presented at the next session of the legislature.

Banking Notes

A final report of the appraisers in the bankrupt case of Frank S. Barnes, of Marcus, Ia., former president of the Citizens Bank, is now daily expected. Advance information is that it will show Barnes' resources to be far below the figures he claims for them. The appraisers, T. R. Fenton, James Collins, and

Wm. M. White, all of Marcus, will make their report to Trustee Robert Pike, of Sioux City.

The Henderson State Bank, of Wessington, S. D., closed its doors Monday on orders from the public examiner. The reasons have not yet been made public.

M. F. Kerwick has been elected vice-president of the First National Bank of Emmetsburg, Iowa, to succeed James Dunnigan, who died last fall.

The bankers of Corson county, South Dakota, have formed a county organization. All the editors of the county have been made honorary members.

Neils Neilson, assistant cashier of the Citizens State Bank, of Anthon, Ia., saved a life and achieved distinction for himself by identifying a mysterious medicine that Vinnie Connole had partaken of, and seeing that a proper antidote was administered. Connole thought he was taking a headache tablet, but instead he swallowed a good-sized tablet containing corrosive sublimate. The taste convinced him he had made a mistake and he went at once to Neilson, who formerly was a pharmacist, and showed him what he had taken. Neilson rushed the poisoned man to a drug store, and there, with the aid of a large quantity of eggs and milk and a stomach pump, they removed enough poison from Vinnie to kill a hundred like him.

Among the Visiting Bankers

G. M. Slocum, cashier of the Redmond Bank of Commerce, Redmond, Ore., was in Sioux City on his way home from a trip back East. Mr. Slocum was formerly cashier of the Sanborn State Bank, Sanborn, Ia., and is well known to northern Iowa bankers. He is prospering.

Herman Fortin, cashier of the Farmers Bank of Salix, Ia., was in Sioux City Monday.

B. E. Adkins, president of the Farmers State Bank, Carthage, S. D., was in Sioux City on business Monday.

Ed. Latta, cashier of the First National Bank, Tekamah, Neb., was in Sioux City Monday.

BANK WINS SUIT

Kansas City, Mo.—A bank is protected in the possession of property, even though it be stolen property, is the latest enunciation of the law as followed by Judge Lucas in the circuit court. He followed a recent decision of the St. Louis court of appeals and put a sudden end to the case of Douglas B. Wornall against the National Bank of Commerce last week.

Wornall placed a \$750 note in the hands of a broker a year or two ago to sell. The broker "skipped" after he had placed the note in the bank as security for a personal loan. Wornall brought suit against the bank to recover the note on the theory that it was stolen property.

The latest decision protected the bank in such matters. It was in direct conflict with a supreme court decision of sometime ago, but Judge Lucas said he would have to follow the most recent decision of the court of appeals. Mr. Wornall will appeal the case to the Kansas City court of appeals for another decision on the question.

Lansford, Pa.—A charter has been granted for the Dime Savings Bank.

Dan Norman, assistant cashier of the Continental and Commercial Bank, has been elected vice-president of the new Du Page County State Bank.

Ohio

That the state banks of Ohio are in better condition and stronger financially now than they have ever been before in their history, is shown by the report of State Bank Superintendent F. E. Baxter, based on reports made to him in response to his call for a statement of condition December 5th. The combined resources at that time reached the aggregate of \$514,848,624, an increase of approximately \$38,000,000 over the showing made at the last call the latter part of 1911. Total deposits show a decrease, due to a reduction of \$5,716,087 in the deposits of public funds. On December 5th the total deposits were \$425,860,934.12, and the total amount held as reserve, \$81,644,593.44, or 19.2 per cent—4.2 per cent above the legal requirement.

East Liverpool, Ohio.—After a fight extending over three years this city is to receive 2 per cent interest on its deposits from all banking institutions here. Each bank will be given an equal share of the city's moneys. Heretofore the city allowed the banks the use of its funds without any interest being paid.

For several years Marion has been advertising for bids to handle its funds according to law, and for years the five local banks have been bidding 2 per cent by agreement. The result has been that, although the city's money was equally divided between them as before, the law legally has been complied with. However, it has remained for a little bank over at Caledonia, 10 miles east, to take advantage of the law and break up the ring. It sprung a surprise on the local banks and bid 2.4 per cent Saturday.

ESTABLISH BANKS IN SOUTH AMERICA

In the belief that American trade with South and Central America will be greatly facilitated by the establishment of a number of American banks, a movement is under way among exporters in this country to secure the early passage of legislation to permit the extension of our banking powers to foreign countries. It has long been urged that the national banking laws, which have restricted the operations of our domestic banking interests to our own shores, have worked to the detriment of manufacturers in this country, whose output has fast been exceeding local demand and who sought foreign markets as an outlet and a natural source of revenue for their use. Many exporters have likewise frequently protested that the lack of a systematic American foreign banking system has resulted in retarding the growth of their trade abroad.

It is also shown that negotiations are under way to establish an American bank with American capital in the Argentine Republic. Part of the needed capital has already been promised for this purpose, and the project, it is claimed, only lacks the necessary legalization by our federal authorities to bring about its satisfactory completion. The establishment of an American commercial bank in the Argentine is, it is stated, only the first of a number of movements under way for the establishment of a series or chain of American banks throughout Central and South America, similar in organization and scope to that recently organized, with a capitalization of \$5,000,000, in Nicaragua.

It is pointed out that the great trade volume which Great Britain and Germany enjoy with the Pan-American republics has been built up mainly by the force and presence of both English and German capitalists who have freely invested in the transportation facilities and general industrial growth of the

districts in which their countrymen have sought trade favors. The existence of such English and German banks and investors has been a natural factor in maintaining the efficiency of German and English foreign trade methods and selling systems.

The officers of the state department are known to be strongly in favor of the amendment of those international banking laws which have tended to prevent the foreign extension of American capital.

EUROPEAN BANKS MERGE

Foreign cable advices received in this city are to the effect that at a meeting to be held some time in the near future the stockholders of the Swiss Bankverein of Basle, Switzerland, and the banking house of Von Speyr & Co., also of Basle, will be asked to ratify an agreement for the acquisition of the banking house of Von Speyr & Co., by the Swiss Bankverein with all liabilities and assets as of December 31, 1911. The Swiss Bankverein stockholders will be asked to sanction the issue of 7,000,000 francs new shares, participating in 1912 dividends, which shares will be issued to the stockholders of the firm of Von Speyr & Co., the proportion of seven new shares of the Swiss Bankverein, each 500 francs fully paid ex-dividends of 1911, for each 15 shares 500 francs 50 per cent paid shares of Von Speyr & Co. By the issue of the new stock the paid capital of the Swiss Bankverein will be increased to 82,000,000 francs.

It is proposed to elect as members of the board of directors of the Swiss Bankverein Hans Schuster Gutmann, Albert De Speyr and Alfred De Speyr, who now constitute the board of the banking firm of Von Speyr & Co.

SPELLING BEE FOR YOUNG BANKERS

Havana, Cuba.—The winter course of study of the American Institute of Banking in Havana was enlivened recently by a spelling match between the English classes of Cuba Chapter, at the National Bank headquarters, before banking hours.

The contest began on monosyllables, and for a while the sixteen members of the junior class who were present pitted themselves against an equal number of seniors, with telling effect. After twenty minutes' steady fire it seemed as if the two forces had annihilated themselves, for one of those small twisted words which are characteristic of the English language had floored the last four contestants who were left standing. On coming to their feet they went in for a finish, with the result that Arturo Duplessis, of the senior class, was declared victor.

Next in order came a contest on dissyllables, and after a spirited display of talent on both sides, the honors were awarded to Rafael Mayer, of the senior class. A recitation by Sr. Duplessis of the elocution class of the poem "If You Cannot" met with applause.

Montreal.—Seventeen chartered banks which have submitted statements to shareholders during the past few weeks show total net profits for 1911 of \$13,762,459, as compared with \$11,634,345 in 1910. The profits run from 14 per cent on the paid-up capital to 23 per cent.

The Security Bank of Pillager, Minn., has changed management. The Schroeders have sold their interest to W. J. Lewis and Murray McNair of Staples. E. P. Bacon and Frank Swanson of Pillager, the former as vice-president and the latter as director, will remain with the bank.

A charter has been issued to the Farmers National of Belleville, Pa., capital \$50,000.

GEORGIA STATE BANKS PROSPEROUS

In giving out a comparative statement regarding Georgia's state banks in order to show the improvement made and the better condition attained in practically every direction during the last year, State Treasurer W. J. Speer calls attention to a most interesting phase of the situation. He says that one of the most substantial evidences of progress shown by Georgia's 650 state banks is the large reduction shown in the amount of overdrafts. Despite the fact that ninety-one new banks have been added to the list during the year just closed, overdrafts have been reduced by approximately 50 per cent, as compared with 1910. He thinks that this is one of the most hopeful signs in connection with the banking situation in the state. It not only indicates greater care on the part of the banks in the transaction of business, but also that depositors are in better position as to cash assets. One year ago the overdrafts in Georgia's state banks amounted to \$4,929,860.45, as compared with only \$2,193,861.83 to-day—nearer 55 per cent less than 50 per cent.

"I think if it were known to cashiers generally that under a decision of the supreme court of the United States they are responsible on their bonds for any losses to the banks they serve as a result of overdrafts, they would be considerably more cautious in the matter of permitting customers to overdraw their accounts."

Other figures regarding the state banks given out by the treasurer show that the state banking resources have increased during the year by \$6,455,128; cash has increased \$2,178,620.80; paid in capital has increased \$2,674,134.24; surplus and profits show an increase of \$1,214,298.65; deposits have increased \$3,937,507.83.

N. D. ALLING

N. D. Alling, formerly assistant cashier of the Nassau National Bank, has been elected a vice-president. Gilbert Thomas, formerly assistant of the president, was elected assistant cashier to fill the vacancy, and A. W. Gilhart, formerly loan clerk, was made an assistant cashier.

CONFESSES THEFT OF \$90,000

Portland, Ore., January 29.—W. Cooper Morris, cashier of the defunct Oregon Trust and Savings Bank, pleaded guilty late to-day on the joint indictment with Louis J. Wilde, former president, charging the embezzlement of \$90,000. It is understood Morris will testify against Wilde.

BANKING NOTES

The capital stock of the Bank of St. James, Missouri, is to be increased from \$10,000 to \$50,000.

Ogden, Utah.—Ralph E. Hoag has been elected president of the Utah National Bank to fill the vacancy caused by the death of the late John E. Dooly.

President Hamill of the Corn Exchange National Bank is in Egypt for three months.

Newton Doremus has been elected president of the First National of Red Bank, N. J., to succeed James L. Terhune.

Application has been made to convert the Union Bank and Trust Company of Monroe, La., into the Union National of Monroe, capital \$200,000.

Walter Schuh has resigned as assistant cashier of the First National of Norwood, O., to accept a similar position with the Norwood National.

BANK SUPERVISION IN OHIO

Columbus, Ohio, January 31.—Three Ohio state banks to-day went to the wall because of the exercise of the new powers granted to the state banking department by the general assembly last winter. This gave to the state superintendent the right to approve the reserves of state banking institutions.

These three banks—the Albany State Bank, the Byesville State Bank and the Farmers and Merchants Bank of Gallipolis—were interdependent, J. S. Howard of this city being the principal owner in each of them. The Gallipolis Bank was a private concern, and Mr. Howard was its president. His brother, O. L. Howard, is cashier of the Byesville Bank.

Recently the state department found that the Albany and Byesville banks were keeping practically all of their reserves in the Gallipolis bank, which, being a private concern, was not subject to the inspection of the examiners. Its statement of condition, however, showed that of \$65,000 in deposits over \$29,000 was from other banks, principally the other Howard institutions. State Superintendent Baxter thereupon refused to approve it as a reserve bank, and demanded that the money deposited by the Byesville and Albany banks be forthwith returned to them. With this demand the Gallipolis institution was unable to comply.

According to the statement of officials of the Farmers and Merchants Bank this afternoon, the bank's liabilities will total more

than \$35,000. Safety depositors, according to officials, will lose about \$25,000, while checking depositors will also suffer a heavy loss. The Second National Bank of Parkersburg, W. Va., stands to lose \$32,000 on overdrafts.

Sank Under Pressure

Under pressure from the department the Albany bank, which has \$14,000 on deposit in the Gallipolis institution, started legal action to recover its money, and the closing of the private bank followed. The Byesville bank also had about \$13,000 on deposit with the Gallipolis institution. A special statement of the Gallipolis bank rendered to the department shows that it had no capital stock, no surplus, no undivided profits, and a good-sized furniture and fixture account, in addition to heavy overdrafts. It had \$29,000 of bank deposits, \$6,000 of time certificates, \$13,000 of individual deposits and \$17,800 of savings deposits.

The Byesville State Bank, which has been taken in charge by State Examiner T. C. Maher, has \$25,000 capital and \$25,000 of deposits, part of which are public funds. J. A. Hoopman is president, and O. L. Howard, a brother of J. S. Howard, is cashier. A telephone message to-day from the president stated that Cashier Howard cannot be located, and there are notes signed by him in the bank representing cash taken out.

State Examiner in Charge

The Albany State Bank has J. S. Howard, of Columbus, for president, and S. D. Webb as cashier. It has a capital of \$25,000 and surplus and undivided profits of \$1,854. It has \$50,000 of deposits, of which about \$2,000 are public funds. Practically all of its remaining deposits are demand certificates or individual deposits. Its banking house and fixtures are carried in the statement at about \$16,000. W. B. Hopkins, state bank examiner of the Toledo district, was sent to Albany to take charge.

J. S. Howard, although officially residing in Gallipolis, has been here for some time, his business being carried on under the name of Howard & Barnes, which firm recently purchased a large apartment house. Last fall he induced some Columbus men to join with him in founding a new trust company, and, although it was incorporated, it has never begun business. Thus far Mr. Howard has not been found for an explanation.

W. S. Manning, who has been the cashier of the Gallipolis Bank, said the demand for the Albany bank money undoubtedly caused the crash. He has been unable thus far to get into communication with his chief.

Mr. Howard is also interested in the Kanauga Traction Company, which operates an electric line near Gallipolis, some of the bonds of which have been traded for Columbus real estate.

FOURTH NATIONAL BANK

Henry E. Huntington has been elected a director of the Fourth National Bank, New York City, to fill a vacancy. The bank has made arrangements for doing a foreign exchange business, which will be in charge of A. D. Bright, for many years foreign exchange manager for Kountze Bros.

Buffalo Valley.—The citizens of Buffalo Valley met and organized the Bank of Buffalo Valley. Capital stock \$10,000, with the following officers: J. P. Nichol, president; W. W. Jared, vice-president, and W. G. Travis, cashier.

Logan C. Murray, president of the American National, has been elected treasurer of the Louisville Board of Trade.

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Yours very truly,

Signed, W. H. HOOPS, Jr.

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FOR SALE—Miscellaneous

r-A Reflex, focal plane shutter, Celorsix-inch lens. Cost \$84.50. Like new. \$45.00. Address, X-44, Chicago Banker.

r-A Graflex, 1C. Tessar lens, focal plane shutter (new out of stock), value, \$101.50. Sell, \$85.00 Cash. Address, X-55, Chicago Banker.

4X5 Goerz-Argo, latest model, color lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$105.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale, 9 1/2-inch Goerz Dagor. Volule shutter. value \$7.50. Sell for \$50.00, like new. Six-inch Dagor, Kollos Shutter, new. Cost \$95.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale, Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 25c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,

407 Monadnock Block, Chicago.

SUES ON ALASKA BANK CLAIM

Seattle.—Suit has been begun against the Scandinavian-American Bank of Seattle for \$18,333.50 by F. G. Noyes as receiver of the Washington-Alaska Bank of Fairbanks, Alaska, the amount alleged to be due since June, 1909, as a balance between two correspondent banks. The Washington-Alaska Bank took over the Fairbanks Banking Company in July, 1910, and the item appeared as an asset of the latter company.

M. H. Ewer, cashier of the National Park Bank of New York City, has gone to Cuba on a short vacation trip.

Department of New Business

NORTHWEST

University City, Mo.—The University City Trust Company has been organized with a capital of \$100,000. The board of directors are: Nicholas Lamb, Jr., Robert Smith, James F. Coyle, Conrad Budke, Luther T. Ward, Eugene Augert and P. W. Haberman.

Competition, Mo.—The Bank of Competition is the title of a new bank being organized by James T. Emerson, J. M. Massey and others, with a capital of \$10,000.

Red Wing, Minn.—Articles of incorporation for the Security Loan and Trust Company, to be capitalized at \$50,000, have been filed by O. M. Hall, E. S. Hoyt, W. H. Putnam, Axel Hallar, W. H. Grow and R. W. Putnam.

Sarles, N. D.—The Farmers and Merchants State Bank is being formed at this place. John McCanna is president, D. F. McLaughlin vice-president and H. A. Grimshaw cashier.

Siren, Wis.—The State Bank of Siren is being incorporated. Capital \$10,000. The incorporators are: Harry D. Baker, John T. Retsven and Frank Fahland.

WEST

El Segundo, Cal.—The El Segundo State Bank has filed articles of incorporation with a capital of \$25,000. The incorporators and directors are: James E. Howell, Jacob F. Faber, Dan Murphy, M. L. McCray and Edward I. McCray.

Atwater, Cal.—The Atwater Commercial and Savings Bank has been opened here with a capital of \$25,000. Chas. R. Shaffer is the cashier.

Scipio, Okla.—The Scipio State Bank, capital \$10,000, is reported organized. W. H. Freeman is president.

Hansen, Neb.—Hansen State Bank is the title of a new bank organizing here. Capital \$10,000. H. A. Redman, L. G. Berg, Chas. M. Redman and A. R. Thompson are interested.

Peach, Wash.—A branch of the Creston State Bank will be opened here with C. E. Funkhauser as cashier.

SOUTH

Minorhill, Tenn.—The Minorhill Bank and Trust Company has opened for business with a capital stock of \$10,000. Geo. R. Allison is cashier.

McMinnville, Tenn.—The State Bank and Trust Company with a capital stock of \$75,000 is being organized at this place.

Huntington, Ark.—The Huntington State has filed articles of organization with a capital of \$25,000. W. L. Seaman is president, C. C. Graver vice-president and L. C. Parkard secretary and treasurer.

Calico Rock, Ark.—The Peoples Bank is being organized with a capital of \$10,000. E. E. McNeill will be president and R. H. Wayland vice-president.

Augusta, Ga.—The Citizens Trust Company was granted a charter. Capital stock \$100,000. The incorporators are: M. C. Dowling, W. B. Pace, Joel Smith, W. S. Morris and O. B. Stoughton, all of Augusta.

Gracetown, Tex.—The Guaranty State Bank is the title of a new bank at this place. W. O. Stamps, president; John W. Williamson, vice-president, and A. R. Woodson, cashier.

Grand Saline, Tex.—The First State Bank has been chartered with a capital of \$40,000, to succeed the Citizens National Bank.

Overton, Tex.—The First Guaranty State Bank is being organized with a capital of \$10,000. The officers are: R. A. Motley, presi-

dent; W. J. Coolidge, vice-president; E. B. McDavid, cashier, and V. E. Minor, assistant cashier.

Leonard, Tex.—The capital stock for a new \$50,000 state bank has been subscribed and application made for a charter.

EAST

Kokomo, Ind.—Farmers Trust and Savings Bank has been incorporated. Capital \$150,000. Incorporators: E. A. Simmons, G. W. Duke, J. W. Learner, W. W. Drinkwater, D. L. Duke, W. H. Arnold, A. K. Wilson and T. C. McReynolds.

Hardinsburg, Ind.—A new bank has been organized at this place with a capital of \$10,000. Dr. May is president.

Toledo, Ohio.—Wm. K. Terry, C. D. Briggs and W. L. Slayton have entered into partnership under the name of Terry, Briggs & Slayton, and will do an investment banking business.

Wellsville, Ohio.—The Wellsville Ohio Bank is being organized at this place by C. O. Williams and others, with a capital of \$25,000.

Columbia, S. C.—The secretary of state has issued a charter to the Columbia Brokerage Company. The officers are: B. B. Kirkland, president and G. B. Bundrick secretary and treasurer.

Atkinson, N. C.—Bank of Atkinson is the title of a new bank being organized at this place with authorized capital of \$10,000. The incorporators are: J. T. Hoggard, J. R. Hawes and others.

RIGHT OF STATE TO PROHIBIT OR REGULATE PRIVATE BANKING

(Continued from page 9)

porations are not authorized by law to do a banking business. Stefan v. Breman, 92 Ill. App. 291.

Nor may a railroad company, the powers of which are confined to the construction and operation of a railroad, lawfully engage in banking. The issue of paper designed to circulate as money, in the form and similitude of bank bills, is an act of banking outside of the powers of a railroad corporation. People v. River Basin and Lake Erie Railroad Company, 12 Mich. 389. In State of Ohio v. The Washington Social Library Company, 11 Ohio, 96, it was held that the defendant, a corporation organized for the purpose of conducting a library, had no authority to receive deposits, make loans, issue paper, etc. And in the same jurisdiction, in the case of State of Ohio v. The Granville Alexandrian Society, 11 Ohio, 1, it was held that a corporation, authorized "to hold any estate, real or personal, and the same to sell, grant or dispose of, or bind by mortgage, or in such manner as they shall deem most proper," could not claim banking privileges. The case of MacLauren v. State, 141 Wis. 577, 124 N. W. Rep. 667, presented an interesting point. It was there decided that a corporation, engaged in the business of running a department store, which received deposits up to a certain amount, issued pass books, paid interest on the amounts deposited, and paid the principal with interest upon demand, either in money or in goods at the election of the depositor, was engaged in the banking business without authority.

There are penalties attached to banking without authority. If individuals engage in unauthorized banking, through the medium of a corporation, they may be civilly liable as partners and criminally liable as individuals.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

THE sums extorted (Missoula pleasantry) from banks on pretexts of alleged publicity would pay a dividend on all banks, and the banks, in the aggregate, would do as much business without the publicity.

ALL publicity does (sic) is to draw business from one bank to another," and right here THE CHICAGO BANKER is prepared to rest the case on your Uncle Lusk's testimony, that all its publicity does is to "draw business." Nothing else is intended either by the paper or its advertisers.

BROTHER LUSK must be jealous of his good-looking neighbor, E. J. Bowman, over at Anaconda.

J. S. AISTHORPE, Cairo, is a believer in bank supervision and inspection, both by the state and the nation. He believes in chartered accountants also, and his fine bank is examined regularly by the best firm he can find. They certify their report, and it also is signed by a committee of directors, who assist in the examination.

NOW for a grand rush of the near-farmer-bankers, when Minnesota holds her state convention on the experimental farm half-way from Minneapolis to St. Paul (or the reverse) on June 14th and 15th. The agricultural dope is the stuff up northwest.

IOWA soon will have a greater lock than any one on the Panama Canal. Work on the new lock by which steamboats will be lifted forty feet, to pass the great dam being built across the Mississippi River at Keokuk, is now so far under way that one can appreciate the immense size of this lock, which in some essential respects surpasses the celebrated Gatun lock.

MUST just tickle Charlie Steurer nearly to death (Hay, too) to see his old friend, Stumpf, doing chores around the big printing house, which came to the rescue. One good thing was the saving of the Bankers Encyclopaedia, which is one of the best in the country. Furthermore, we are to have MacPherson "in our midst" occasionally, which is something.

OH, yes! The bank which patiently held the bag, it is happy, too. Here's to you, Lewis!

TRUST companies in New York have an association of their own. Theodore Miller of Brooklyn Trust is president.

BANKERS and farmers of Pawnee, Illinois, are endeavoring to arrange for a free public meeting to interest the farmers and land owners along the line of soil and crop development and improvement. C. A. DeLay, cashier of the Pawnee State Bank, is in correspondence with Chairman Harris and Secretary Edens of the bankers committee on agriculture, and it is expected that a big meeting will be pulled off at Pawnee shortly.

FRED L. TREES, president Kokomo (Ind.) Trust Company; Daniel Crabb, cashier Tazewell County National, Delavan, Ill.; J. L. Esser, cashier Aurora Trust and Savings, Aurora; Wm. Ontjes, vice-president and cashier, American National, Sioux Falls, South Dakota, were Chicago visitors early this week.

S. S. COOK, cashier Minnesota Loan and S. Trust, Minneapolis, writes: "My prize dog was so much interested in Smith's remarks about him in your edition of January 27th that he (the pup) asks me to send to you for some extra copies, that he may pass them around to the other pups. I, therefore, enclose cashier's check herewith for ten copies."

EVERYBODY knows that the greatest extravagance exists in the administration of our cities, states and the federal government. It is so notorious that nobody disputes it. This alone ought to be the best answer to those who are clamoring for public ownership of general utilities.

A STARTLING illustration of the way a state handles its business affairs is disclosed in New York. Some years ago, in the apportionment of federal funds to the states, New York received over \$4,000,000. Not knowing what to do with the money, it was finally suggested that loan commissioners be appointed to loan it to deserving farmers on New York farms.

THE state now finds it owns 250 farms, scattered through forty-five counties. On these farms over \$300,000 was loaned at such extravagant values that the property fell into the possession of the state. The interest on the state's loan of over \$300,000 is less than one-half of 1 per cent.

AN original deposit fund of \$4,000,000 has dwindled down to but a fraction of what it was. There is an impressive lesson in the experience of the great state of New York which we recommend to the consideration of those who are advocating "progressive" ideas of state ownership and control.

CRIMINAL prosecutions were begun by the state banking department of Pennsylvania upon the advice of Attorney-General John C. Bell against three owners of private banks in Philadelphia on Monday. The arrests are the first in a statewide crusade to protect the savings of alien laborers.

THOSE arrested are charged with violation of the act of 1911, which provides that no banking institution, in Pennsylvania, other than a chartered corporation, shall do business without a license granted by a state board composed of the governor, secretary of the commonwealth and the commissioner of banking. The penalty for a violation of the provisions of the act is imprisonment for not more than two years, or a fine of \$1,000, or both, at the discretion of the court.

AT the side of Attorney-General Bell and the state officials during the hearing in court was Baron Paul Forster, Austro-Hungarian consul at Pittsburgh, who went to Philadelphia in the interest of hundreds of his countrymen, who have been fleeced out of their savings by unscrupulous private bankers in and around Pittsburgh.

BARON FORSTER made a statement, in which he said that he had powers of attorney from 2,400 foreign-born Americans, who have lost money through private banks. He also declared that this is not one-fourth of the total number of poor working men who have fallen victims to the wily bankers.

ATTORNEY-GENERAL BELL said that the state is determined to bring all such banking institutions within the bounds of the law. He declared that the villainy of the private bank owners, where there are communities of aliens is notorious, and that nearly every wrongdoer professes to take care of customers' money and send it to relatives in foreign countries without doing so.

THE attorney-general told the court that "we intend to arrest every man who does not hurry up and get within the bounds of the act. It is a shame to think that poor families in the old country are cheated out of the money which is sent to them to live upon by loving fathers and brothers working here. I tell you, it must stop and it will stop."

THE arrests at Philadelphia were at first thought to be merely test cases, but the attorney-general said that they mark the com-

mencement of a campaign to abolish the fraud, the enormity of which is almost unbelievable.

"It is a matter for as much concern as is the liquor law. If a man is apprehended selling liquor without a license, he is sent to jail, and the act of 1911, regarding private bank licenses is no less positive than the liquor license law," concluded the attorney-general.

G. F. EMERY of the Live Stock National is remembering his friends with copies of "Statistics of Live Stock Trade for 1911," in vest-pocket form.

GOOD-BY, G. M. "Take keer o' yourself" (in California).

DON'T get excited, but the "Monetary Record" is out (this week) with a full page account of the New Orleans convention. Next thing to give you high-speed heart disease will be the Illinois proceedings book for the Peoria convention in October, 1911.

VICTOR B. JOHNSON, associate editor and business representative of the Banker's Magazine, New York, has opened offices at 115 So. La Salle Street. The publication is one of the best, and Mr. Johnson is of the "new school," and does not carry a hammer.

PRESIDENT B. F. HARRIS tells us that some of the letters he is receiving anent the all-banks supervision propaganda make him feel real good. Kind words and loyal friends help like the dickens. One prominent banker wrote Mr. Harris the following:

"**W**E take a general interest in all association work; favor the county organization plan, the publicity plan of taking the people into your confidence, and trying to get into theirs enough, so that they will not think that when a banker wants legislation, a good policy is to be 'fermest' it. Some actually believe that we have horns, but it is very much our own fault no doubt. We believe in the farm movement, and claim to be one of the original promoters in that, for in 1875 we adopted the name 'farmers' in our bank title."

"**B**ELIEVE in supervision for all of the banks, regardless of character, and said 'amen,' when you made your Cairo speech, and read and are saving your article to the Tribune last week."

"**W**HAT the association members needs as much as anything is 'loyalty' to the officers, and to the association and its work. Too many are prone to be lukewarm and need prodding, whereas if we meant business and had co-operation as we should, it would almost be fearful for us to think of what strength we would have if we cared to concentrate it on any one thing. We are doing only our duty, and it has been a pleasure for us to co-operate with you in your work."

CASHIER.

NATIONAL BANK CLOSED IN OHIO

Toledo.—Following the suicide of J. W. Miller, cashier of the First National Bank of Kalida, Ohio, Tuesday, the directors, fearing a run on the institution, decided to close its doors pending the report of National Bank Examiner Smith. Miller's death was coincident with the arrival in town of Bank Examiner Smith to look into the affairs of the bank.

THE MONEY MARKET

Demand loans on collateral have followed commercial paper rates in dropping below 4 per cent. Money loaned at 3½ per cent barely pays overhead charges, according to Chicago bankers, and leaves little profit to the banks. Much of the idle money which has accumulated in local national banks within the last month consists of deposits of country institutions.

ALL BRANCHES OF BANKING



1857

1912

ORSON SMITH President	P. C. PETERSON Assistant Cashier
EDMUND D. HULBERT, Vice-President	C. E. ESTES Assistant Cashier
FRANK G. NELSON Vice-President	LEON L. LOEHR Sec'y and Trust Officer
JOHN E. BLUNT, Jr. Vice-President	F. W. THOMPSON, Mgr. Farm Loan Dep't
J. G. ORCHARD Cashier	H. G. P. DEANS Mgr. Foreign Dep't

CAPITAL AND SURPLUS - \$9,000,000



*If You Desire to Collect Your Out-of-Town Items Promptly
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Correspondence Invited

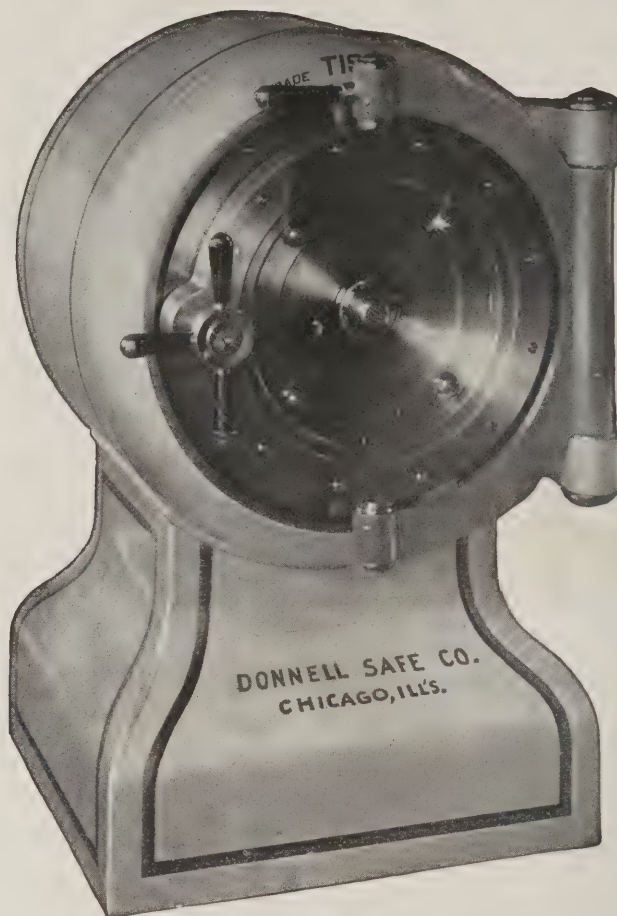
THE NATIONAL CITY BANK OF CHICAGO

Capital, Surplus and Undivided Profits \$ 2,500,000.00
Resources 29,300,000.00

OFFICERS

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H. E. OTTE	Vice-President	A. W. MORTON Assistant Cashier
F. A. CRANDALL	Vice-President	W. M. N. JARNAGIN Assistant Cashier
L. H. GRIMME	Cashier	WALKER G. McLAURY Assistant Cashier
W. T. PERKINS	Assistant Cashier	R. U. LANSING Manager Bond Dept.
W. D. DICKEY	Assistant Cashier	M. K. BAKER Asst. Manager Bond Dept.

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General Western Agents for the York Safe & Lock Co., who have the best-equipped safe factory in America. Their Manganese safes are superior to any in the market. We sell these safes subject to a test against any Manganese safe made and will guarantee all our work equal, if not superior, to any made. We can refer you to any banker in Chicago. We carry the largest stock of bank safes in Chicago. Burglar vault doors, vault linings, burglar safes that have been used always on hand. A large lot of second-hand deposit boxes that are modern and good as new.

227-229 Washington St., Chicago, Illinois

Fourth Street National Bank OF PHILADELPHIA

Capital \$3,000,000.00
Surplus and Profits 650,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

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E. F. SHANBACKER, President	FRANK G. ROGERS, Vice-President
JAMES HAY, Vice-President	R. J. CLARK, Cashier
B. M. FAIRES, Vice-President	W. A. BULKLEY, Assistant Cashier
W. K. HARDT, Assistant Cashier	

The Girard National Bank OF PHILADELPHIA

Capital \$2,000,000.00
Surplus and Profits 458,500.00
Deposits 40,000,000.00

FRANCIS B. REEVES, President

RICHARD L. AUSTIN
Vice-President

JOSEPH WAYNE, Jr.
Cashier

THEO. E. WIEDERSHEIM
Second Vice-President

CHARLES M. ASFTON
Asst. Cashier

To satisfactorily handle your business, you need a Philadelphia account

**A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West**

10 CENTS A COPY

The Bank of Kewaskum, Wis., has increased its capital stock from \$15,000 to \$30,000.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

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HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

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President

JOHN JAY ABBOTT
Vice-President

GEO. B. CALDWELL
Vice-President

CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

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The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

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CINCINNATI AND CHICAGO

Municipal BONDS Netting 3.80 to 5.50%

Corporation BONDS Netting 5 to 6%

Short or Long Maturities

INQUIRE FOR LIST OF OUR HOLDINGS

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CHICAGO

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital - \$2,000,000

Surplus - 500,000

Deposits - 25,000,000

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NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
THOMAS E. NEWCOMER, Asst. Cashier
HARRY LAWTON, Manager Foreign Department

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....\$ 9,887,954.84
February 5, 1909.....11,617,691.24
March 29, 1910.....15,041,357.21
March 7, 1911.....21,574,956.79
June 7, 1911.....23,137,746.88
September 1, 1911.....24,500,075.82
December 5, 1911.....25,445,199.89

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Drovers Deposit National Bank OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-eight years rendered Efficient and Quick Service to its Correspondents

Resources, Nine Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Dirr

EDWARD
AVERIL
L. B. P.
WM. A.
JOHN F.



Mainly About Banks and Bankers

PRESS dispatches tell us that over at Brockton, Mass., at a leap-year party, thirty promising young bachelors were auctioned off to as many eligible young ladies, as a part of the entertainment at a church social.

NOTHING of the kind happened at the Montrose Hotel entertainment in Cedar Rapids the other evening, where seven young bachelors entertained their friends at a reception and dance. Among the hosts were John Burianek, Jr., and John Montague Ely, cashier and assistant cashier of the Peoples Savings Bank of that city. We are advised that the next time anything of this kind is pulled off in Cedar Rapids, Kent Ferman and J. E. Hamilton intend to have an auctioneer present, deeming that the only way they ever can get Burianek up to the sticking point.

WORD comes from San Diego, Cal., that no sooner had George M. Reynolds gotten his sea legs at Coronado Beach than he promptly denied a foolish interview which has been going the rounds of the press while he was crossing the prairies going west.

THE interview which he has so promptly killed quoted Mr. Reynolds as saying: "The money power lies in the hands of a dozen men, and I plead guilty to being one of them."

NOTHING more unlike Mr. Reynolds could have been conceived, for he is the least boastful of all the truly big men in the country. Furthermore, he holds no such populist opinion about the money power as the quotation would seem to indicate. He is to be at Del Coronado Beach a few days longer, and will put in part time at each of the southern California resorts in an attempt to break all of his previous records by staying away from business at least two months.

ONE of the Chicago newspapers has started a crusade against the loan sharks, after having banished their advertising from its columns a few months ago. This happened at the time that two young bankers pleaded guilty to having robbed the institution for which they worked, in order that they might pay excess charges to a gang of loan sharks.

THE fight which the Chicago Tribune has started will be assisted absolutely free of charge by nearly one hundred of Chicago's leading attorneys, to all who will bring them complaints. These young attorneys deserve the support of every banker in the city in this fight.

ON the other hand, the loan sharks have doubled their advertising in the other papers, and are calling themselves everything from plain "bankers" to such titles as "National Loan and Trust Company," "Peoples Loan and Trust Company," and other titles which ought to land them in the penitentiary.

ILLINOIS needs a new banking bill to put all forms of banking under direct state supervision; also to absolutely prevent the use

of banking titles by loan sharks, pawn shops and other doubtful callings. Everyone in Illinois will remember the Hurd statute which was to have put an end to the use of corporate titles by unincorporated individuals and concerns. This was intended to protect banking titles, but through some chicanery or other, there have been piled up decisions of the attorney-general, and probably also of the courts, which put the burden of proving "damage by deception" on the complainant before he can recover anything. In other words, the state of Illinois has refused absolutely to enforce that particular law. That is why almost every leading bank title in Chicago is being used by individuals for private gain and advantage.

QUITE a number of bankers who have been anxious to get into the "financier" class recently have been joining in underwritings. Rumor has it that quite a few of them have been nipped. This ought to be a lesson to the others.

IT is quite one thing to be able to tell one's friends that one is "in the underwriting of Chicago railways, for instance, along with J. P. Morgan," and another to have about one-half of the amount of the subscription dumped unceremoniously upon you with notice that the underwriting syndicate has been dissolved.

SOMETHING very much like this has happened quite recently. If you are in a position to talk about it, tell some of your friends, so that they may stay out of the easy-money class, oftentimes at a profit.

INDIVIDUALS who compose the directorate of the Century Savings at Des Moines have purchased a nice new corner lot at 5th and Locust. Rumor has it that a ten-story building will soon be erected for the bank, which has shown wonderful gain and progress under the presidency of L. E. Stevens. It is also rumored that the Mechanics Savings of the same city is to have a new building.

GROUP No. 1 of the Wisconsin Bankers Association held its meeting at Eau Claire on Wednesday of this week. The principal speaker was Jas. K. Ilsley, president of the Marshall & Ilsley Bank at Milwaukee, who talked on the proposed monetary legislation.

THE guests and visitors were called to order by J. W. McCoy, and were welcomed to the city by Mayor Fleming, formerly cashier of the Union Savings Bank. The Wisconsin groups will make a specialty this year of the work of the Wisconsin Advancement Association. Banks in Group No. 1 are very anxious to help. W. H. Mylrey is the secretary of the association, and made a talk at Eau Claire.

GENERAL talk turned on the new banking laws and how the bankers liked them. It seemed to be the consensus of opinion that they are the best the state ever has had. An evening entertainment at the Eau Claire club rooms concluded the session.

CHICAGOANS are receiving reminders from their old friend Col. John T. Dickinson at Corpus Christi. The colonel, along with others, has built the Corpus Beach Hotel, which the booklet shows to be one of the largest and finest in the country. The booklet also tells much about the climate and resources of lower Texas, and is well worth the attention of anyone who may be expecting to finish out the winter season amid more salubrious surroundings.

TEXAS INDUSTRIAL CONGRESS at Dallas is sending out particulars about its \$10,000 in gold to be awarded to the farmers of Texas for model demonstration farms and best crop yields for 1912. This association is endeavoring to teach conservation, rotation and diversification of crops. The prize money is divided into classes for farmers, boys' and girls' corn clubs, cotton clubs, forage crops and kaffir corn. The conditions are easy and particulars will be sent upon request.

CONTRARY to general expectation, the commercial vehicle section of the automobile show drew a much larger attendance than was anticipated. Interest in the truck is country-wide. Those who are most enthusiastic believe that even the farmers will use them, at a great saving to themselves and on account of other advantages. The publicity end of the work was in the hands of H. W. Perry, to whom much credit is due for the great public interest shown by the large attendance.

HILLYARD (Wash.) State Bank has had a prosperous year and shows deposits of a quarter of a million. All of the officers were re-elected at the annual meeting, at which an extra dividend of 6 per cent was declared in addition to the regular dividend of 10 per cent. Besides this \$2,000 were added to the surplus. The officers are: W. W. Cooper, president; W. G. Cushing, vice-president; and H. C. Howe, cashier.

RAND-McNALLY COMPANY of this city has issued a souvenir guide to Chicago, which contains not only the celebrated Rand-McNally street maps, but a full description of all the points of interest within the city and how to reach them. Practically all the prominent streets and large buildings are shown by illustration. Some big Chicago bank could make a great hit by distributing this souvenir guide amongst its correspondents who visit this city most frequently. They would go like hot cakes at the state convention also.

MISSISSIPPI VALLEY TRUST of St. Louis sends out a very neat little house organ entitled "Service." It tells in some detail what the great Mississippi Valley Trust does for its patrons, and all of the many other things which it is willing to do. One department of the booklet is intended to stimulate the inclinations of the savings depositor to further increase his balance.

(Continued on page 31)



COLONIAL TRUST & SAVINGS BANK

La Salle Street, N. E. Corner Adams, CHICAGO

JACOB MORTENSON, Vice-President
EMIL STUEDLI, Assistant Cashier
W. F. DOGGETT, Assistant Cashier

LANDON CABELL ROSE
President

R. C. KELLER, Vice-President and Cashier
H. A. SADLER, Assistant Cashier
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We offer a convenient and efficient service to those desiring a Chicago connection

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

JOHN A. LYNCH, President	W. T. FENTON, Vice-President
R. M. McKINNEY, Cashier	O. H. SWAN, Asst. Cashier
JAMES M. HURST, Asst. Cashier	WM. B. LAVINIA, Asst. Cashier
W. H. HURLEY, Asst. Cashier	WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.	

THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-eight years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$116,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-President	R. F. NEWHALL, Assistant Cashier
JOHN F. HAGEY, Assistant Cashier	G. H. DUNSCOMB, Assistant Cashier

FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE

CAPITAL : \$3,000,000.00
SURPLUS : 5,000,000.00
UNDIV. PROF. 750,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President	FRANK W. SMITH, Cashier
CHARLES L. HUTCHINSON, Vice-President	JOHN G. NEELY, Secretary
D. A. MOULTON, Vice-President	J. E. MAASS, Assistant Cashier
CHAUNCEY J. BLAIR, Vice-President	JAMES G. WAKEFIELD, Assistant Cashier
B. C. SAMMONS, Vice-President	LEWIS E. GARY, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

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Clarence Buckingham	Edwin G. Foreman	Benjamin Carpenter
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The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

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WILLIAM A. FULLER	CHARLES L. HUTCHINSON	SOLOMON A. SMITH
ERNEST A. HAMILL	MARTIN A. RYERSON	BYRON L. SMITH

The Bank of Good Service

Ask any of our correspondents
There is one in your vicinity

The Live Stock Exchange National Bank of Chicago

What Bank Commissioners Say of State Supervision

THE CHICAGO BANKER is able to furnish this week a symposium showing the condition of the banking laws in most of the states, so far as they relate to state control of banking in all its forms. Where private banking is positively prohibited, a notation will be made. Where it is segregated or partially regulated, as it is in New York, that will be made plain. The information has been furnished to this paper by the state banking commissioner, or chief examiner, where such are maintained, and in other cases by the state auditor, where the supervision of state banking has been placed in his hands, as a department of his office, just as is the case in Illinois. In many cases the commissioners express themselves on the subject of uniform banking laws for all the states, and comment very freely on the increase of business which followed the placing of private banking under state control in the various states. Attention also is called to the fact that in states where severe opposition was shown, a number of the private bankers promptly went out of business when they saw the inspector or state examiner approaching.

Commissioner of Banking A. E. Kuolt of Wisconsin sends the following very helpful and illuminating letter:

Delaware Has No Private Banks

The promptest of all replies came from the state of Delaware, which perhaps has the cleanest record of all the states on the subject of state control of banking. The state does not permit it, however well it may be disguised, except under full state supervision and inspection. There are no private banks in the state. Delaware falls slightly behind some of the advanced states in that it does not have its banking department handle receiverships. They are conducted under the general laws, as they are in some of the other states. The state commissioner writes that he would support a movement for uniform state banking laws in all the states, believing it would have a beneficial effect in elevating the standard of banking. His position is that the states where the banking laws are behind the times would take rank along with those where they have been advanced; that there would be no retrograde movement whatever on account of the laws being made uniform. He also believes that the adoption of the National Reserve Association plan will not bring about this reform, as some contend; but that it must remain a matter for adoption in the state legislatures. The state commissioner is a strong advocate of separate banking department in each state, rather than having the banking business conducted as a department in the state auditor's office. The state commissioner of Delaware has supreme power in his department, and can suggest nothing in

Following is a summary of the opinions of many competent and influential state banking superintendents, from the leading states, on questions now before the bankers of Illinois for decision

the way of power which ought to be or could be added. The record of the state of Delaware is absolutely clean, so far as state supervision and inspection go.

Wisconsin Has a Valuable Lesson

Commissioner of Banking A. E. Kuolt, of Wisconsin, sends the following very helpful and illuminating letter:

"In reply to your inquiry dated February 1st, I will say that the banking laws now in force in Wisconsin were adopted in 1903, and were amended and strengthened by each successive legislature. State banks, savings banks, and trust companies are under the supervision of the 'state banking department.' So-called private banking was abolished in 1903, and there have been no private banks operating in Wisconsin since then.

Answers to your questions follow: (1) Does your state permit private banking without state supervision or inspection? A. Private banks were placed under supervision of the state bank examiner in 1895. Experience, extending over eight years, proved that supervision added to the prestige of private banks, often beyond their deserts. It proved that supervision is misleading, inasmuch as the bank might be found solvent, when the banker, engaged in other enterprises beyond the ken of the bank examiner, might be actually insolvent, and the failure of his other enterprises would, invariably, precipitate a failure of his bank. It proved that supervision of private banks as such is a shadow—without a substance. On the strength of this experience the legislature of 1903 abolished private banking. (Sec. 2024-78m W. S.)

(2) Did the private bankers of your state oppose the new law? A. Private bankers of Wisconsin opposed the law last referred to above. Not until a motion was adopted by the committee of the legislature to abolish state supervision of private banks did opposition melt away. This merely emphasizes the value of the prestige of state supervision above referred to.

(3) What percentage of them had any trouble in qualifying under the state law? A. 6⅔ per cent.

(4) Did incorporation increase their business; if so, how much? A. Incorporation de-

cidedly and materially increased their business.

(5) Does your department handle bank receiverships, and at what cost as compared with the former system of court receiverships? A. Yes, under a recent law. (Chap. 396, 1909.) We have had no experience as yet.

Section of the Law Quoted

(6) Quote the paragraph from your present law which relates to state bank inspection, and give a list of the penalties, if any, which it provides. A. Section 2018—1. 'It shall be the duty of the commissioner of banking, and he shall have the power by himself, his deputy, or by any examiner he may appoint for that purpose, to examine at least twice in each year the cash, bills, collaterals, securities, assets, books of account, condition and affairs of each bank, trust company bank, and mutual savings bank doing business in this state, except national banks. For that purpose he may examine on oath any of the officers, agents, directors, clerks, stockholders, customers or depositors thereof, touching the affairs and business of such institution.

'2. The commissioner of banking shall examine, or cause to be examined, any bank when requested by the board of directors of such bank. The commissioner of banking shall also ascertain whether such bank transacts its business at the place designated in the articles of incorporation, and whether its business is conducted in the manner prescribed by law. Such commissioner of banking may, in the performance of his official duties, issue subpoenas and administer oaths; provided, that, in case of any refusal to obey a subpoena issued by him or his deputy, such refusal shall be at once reported to the circuit court of the circuit in which the bank is located, and said court shall enforce obedience in the manner provided by law for enforcing obedience to the subpoenas of said court.'

Section 2024-23. 'Whenever any officer in charge of a bank shall refuse to submit the books, papers and concerns of such bank to the inspection of the commissioner of banking, his deputy, or examiner appointed hereunder, or refuse to be examined on oath touching the concerns of the bank, the commissioner of banking may inform the attorney-general, whose duty it shall be to institute an action to procure a judgment dissolving such corporation.'

(7) Do you think it fair that incorporated banks, which pay taxes on their capital stock, should be forced to compete with private banks, which do not maintain a known capital, and consequently do not pay any taxes? A. I think the unfairness is obvious.

(8) Would you support a movement for uniform state banking laws in all the states?

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A. Under otherwise equal conditions, I can see no objection to a uniform state banking law.

(9) What would be the effect of such a law? A. A uniform law would tend to strengthen weak banking laws.

(10) Do you believe that the adoption of the National Reserve Association plan will have a tendency to cause uniform state banking laws? A. The National Reserve Association as proposed will cause more uniform banking, but may not have any effect on uniform banking laws.

(11) Do you believe that each state should have a separate banking department? A. In each state there should be a banking department independent of other departments. This is the case in Wisconsin now.

(12) What powers should the state banking commissioner have which are not provided in the laws of your state? A. The Wisconsin banking law is pretty comprehensive in this respect."

No Private Banking in Indiana

The banking department of Indiana is in charge of the auditor of state, and Harry L. Arnold is in charge as "Bank Clerk." Mr. Arnold writes in reply to inquiry about as follows:

(1) This state does not permit private banking without state supervision. Private bank law enacted 1905—in effect December 1, 1907.

(2) Was opposed by private bankers. To what extent I cannot inform you.

(3) One chain of 4 banks failed at once and about 6 followed soon after first examination.

(4) Business increased—double—not one could exist at this time without state supervision—if law permitted.

(5) This department does not handle receiverships—but should, in my opinion. They can be handled 50 per cent saving to the depositors.

(6) Copy of Indiana law sent under separate cover.

(7) Not fair to force supervised banks to compete with unincorporated banks.

(8) Yes! I would support a movement for uniform state banking laws. Monetary plan would have tendency toward uniformity.

(11) Each state should have a separate banking department. Gives better supervision and brings examinations nearer to the bankers.

(12) States should have a law, creating a Charter Board, composed of the governor, secretary of state and auditor of state, to whom should be referred all applications for charters for state and private banks and trust companies. This board to have supervision over the organization of new banks; thus preventing too many banks in one locality; it being better to have one strong bank than two weak ones; to see that the men interested in new banks are practical bankers, with knowledge of the banking business and experience.

Also a law requiring the approval of reserve agents by the auditor or state superintendent of banks.

A law providing penalties of the proper nature for violations.

A law giving the auditor or banking commissioner authority to remove any bank official for cause, or suspend him, pending removal before a court.

A law regulating the amount of money which a bank or trust company may lend one person, firm, corporation; same being based on capital and surplus.

Geo. C. Von Tuyl, Jr., superintendent of banking for the state of New York, writes an interesting letter. He says:

A law requiring trust companies to report to the auditor on call, the same as state and private banks.

Letter from Geo. C. Van Tuyl, Jr.

"The present banking law of this state has been in force since 1892, and the law of 1892 was a revision of previous statutes, the banking department and the office of superintendent of banks having been created in 1851. While there have been amendments of this statute from time to time, the main features of the law have remained the same for many years. This state still permits private banking in most sections of the state without supervision, having held that it is the constitutional right of a citizen to engage in this business. Certain private bankers in cities of the first class have been placed under the supervision of the state comptroller by a recent law. For details with regard to this statute and its enactment, we would refer you to the Hon. William Sohmer, comptroller, Albany, New York.

"The private bankers of the state, as a class, did not oppose the enactment of this particular statute. They have quite generally op-

posed the enactment of a law which would make all private bankers subject to strict supervision. We could not, of course, state the percentage, but the state comptroller will, I presume, be able to give you the percentage of applications for license which have been rejected by him. Private bankers do not incorporate in this state.

"No corporation can engage in the banking business in this state without incorporating under the banking law and become subject to the supervision of the superintendent of banks. For a few years this department has had the power to liquidate failed state institutions which have been under its supervision, in practically the same manner as the comptroller of the currency liquidates national banks. Such comparisons as we have been able to make with the old receivership system demonstrate the advantage of liquidation by this department. It would be impossible to quote, in the space of an ordinary letter, paragraphs of the banking law which relate to state bank examination and supervision.

New York Likes Her Banking Law

"While incorporated banks are taxed in this state, the tax is not onerous and probably would not exceed that which a private banker, if properly assessed, would be compelled to pay upon the funds he has invested in his banking business. If there is any inequality in this respect, I should say that the fault lay with the assessor, rather than with the law.

"Your next question, as to whether we would feel like supporting a movement for uniform state banking laws in all the states, would admit of several interpretations. Our own law is now quite satisfactory, and we would certainly not be in favor of uniform state banking laws if the safeguards now established in connection with our own financial institutions would be diminished.

"If the uniform state banking law would make the laws of all states with regard to incorporated banks as rigorous as our own, we believe that the effect of uniformity would be beneficial. It would seem that the adoption of a national reserve plan would have a tendency to cause uniformity in the banking laws of all states. In our judgment, each state should certainly have a separate banking department. As intimated, the banking law of this state as a whole confers adequate powers of supervision upon the superintendent of banks. There is considerable agitation to have these powers extended to corporations which are not now under his supervision and also to private bankers. It would seem that some supervision should be exercised over all persons engaged in the banking business and that the powers of supervision now granted the superintendent of banks might well be extended to some corporations over which he now has no control."

Proposed New Banking Law for Mississippi

Such bank supervision as they have in Mississippi is exercised by the state auditor, the present incumbent being D. L. Thompson. Mr. Thompson writes: "There is before the

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legislature now in session a bill creating the department of bank commissioner and examiner, which we are very much in need of; and I think the bill will become a law, as it seems to be meeting with general and favorable consideration."

The banking laws of Mississippi compel private banks, as well as state banks and trust companies, to have a fixed, paid-in capital before opening for business. The minimum is \$10,000 in towns of 500 or less; above 500, \$15,000 is the lowest amount of capital permitted. These amounts must be paid in in cash before the beginning of business, or everybody connected with the enterprise is subject to a fine of \$100, which fine is also imposed for the making of any false statements to the auditor. Directors of banks are compelled by law to make a personal inspection of their own banks on the first Wednesday of January, April, July and October of each year, and to furnish a report of the same to the auditor of public accounts. If they fail to do this, the auditor may impose the penalties prescribed, and if the law is not complied with within thirty days, suit is to be instituted in court. Another section of the law compels every individual (private banker), bank or corporation to make public four statements per year, showing a complete balance of its books of account. Clearing houses are authorized by the state banking law. The state banking law of 1906 forbids "the creation or organization of any branch bank in this state after this chapter goes into effect." Such banks as were maintaining branches when this act went into effect in 1906, are placed under the same regulation as other forms of banking, and are compelled to maintain not less than \$10,000 of free capital for the exclusive use of each branch. This pretty effectively takes care of the branch-banking evil, which afflicts a great many of the southern states.

Private Banks Must Have Known Capital and Make Reports

Section 256 of the banking act of 1906 compels private banks to have a fixed capital, and

to make four annual statements per year of their business, under the following provisions:

"Every bank, and every person, corporation or association of persons receiving money on deposit, or issuing, buying or selling exchange, or otherwise doing a banking business, shall make a balanced statement, under oath of the owner, or one or more of the officers of the bank to the auditor of public accounts, at least four times each year, of the condition of the bank or banking business, showing the resources and liabilities thereof, and the amount of the indebtedness of the bank which is owing by its owners, or stockholders and officers and directors, on the bank forms prescribed by the auditor, and in duplicate. On receiving the statement, the auditor shall examine it, and if found correct, shall file one copy and return the other to the bank endorsed, 'Examined and found correct,' and the bank shall thereupon, within ten days, cause the same to be published with the indorsement of the auditor, at its own expense, in a newspaper published at the place of the domicile of the bank, or if there be none so

published, in a convenient newspaper having a circulation in such place."

Iowa in Same Boat as Illinois

Iowa is in the same boat as Illinois so far as unrestricted banking and lack of a state banking department are concerned. Activity and political promise of the private banker about the same. State Auditor John L. Bleakly says he would favor a separate banking department. He would not support a movement for uniform state banking laws. Iowa has suffered from "free" banking fully as much as Illinois. Reasons for it same in both cases.

No Private Banks in Nebraska

Replying to our letter of inquiry, E. Royse, secretary of the state banking board of Nebraska, underscores "Do not permit private banking in any form in the state of Nebraska." Summarizing Mr. Royse's response, it is learned that when the new state banking law went into effect, there was but one private bank in the state. Even before that time the legislature had enough wisdom to compel private banks to do their business under strict supervision and under all of the restrictions imposed upon incorporated banks. This shows that Nebraska profited by the example of certain other states wherein private banking was permitted to get such a foothold that it was difficult to root it out. Nebraska has one shortcoming, in that the state banking board does not handle bank receiverships, a feature of modern bank supervision which has shown the very best results in all of the states where it has been adopted. Mr. Royse says that he does not think it would be fair for any state to compel incorporated banks, paying a tax upon fixed capital, to compete with banks which do not maintain a capital account. So far as Mr. Royse is at present informed upon the question, he would favor as much uniformity in state banking laws as possible; he believes, however, that absolute uniformity would not be possible at first. The Nebraska official is emphatically in favor of each state

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Among the new powers which Mr. Royse thinks the state banking board of Nebraska should have would be the power to reject applications for charters in localities already amply provided with banking facilities. He points out that this is one of the greatest dangers of the future, providing unfair competition for banks already established and reducing the strength of all banks in the community, where there are too many for the demands of the population. This summary puts Nebraska in the "A" class, so far as state supervision is concerned, inasmuch as no other kind of banking is permitted within the state; and leaves them short only in the one prerogative that the banking board is not authorized to refuse charters in crowded locations.

Alabama Likes New Banking Law

When the Alabama bankers convention meets May 18th and 19th at Mobile, the bank bill which was passed as a result of the association's efforts, will have been in force for one year. It was a good bill and the banking situation in Alabama has been much benefited by its wise administration. Superintendent of Banks, the Hon. A. E. Walker, will review the operations of this measure and make several important recommendations in connection therewith. James R. Stevens, national bank examiner, and L. P. Hosmer, state bank examiner, will have papers upon interesting and vital topics concerning bank supervision and auditing as duties of the state.

The association is about to enter a new field of activity which gives promise of making its services still more beneficial to members and the business interests of the state. This work will have to do with the promotion of scientific agriculture and encouragement of immigration. Commissioners Kolb and Cowart will address the convention, pointing out the best ways that standing committees of bankers can

co-operate with their respective departments of state government. G. Grosvenor Dawe, managing director Southern Commercial Congress, also will have something to say in furtherance of the campaign for the more rapid development of the South.

Private Banks Supervised in Oklahoma

J. D. Lankford, bank commissioner for Oklahoma, answers clearly and with emphasis all the questions asked. He says: "A bill passed by the state legislature, approved February 14, 1908, put the state and private banks in Oklahoma under the supervision of the state banking department. Replying to the questions as outlined in your letter, I beg to advise:

1. Our state does not permit private banks to operate, hence all such institutions are under the supervision of the banking department.

2. The few private banks in existence at the time our law became effective, did not oppose the new law.

3. Not more than three or four banks had any trouble whatever in qualifying under the state law.

4. All banks doing business at the time of statehood, either held a territorial charter or had been granted a federal charter by the government. This latter class of banks applies to those doing business in what is known as the old Indian Territory.

5. Whenever a state bank becomes insolvent, the same is taken over by the bank commissioner and liquidated under the provision of our law.

6. For information in regard to the inspection of banks, I beg to refer you to Section 35, Article 1, and Sections 3 and 6, Article 3.

7. Private banks cannot compete with the

incorporated banks in this state inasmuch as our law does not permit such banks to exist.

8. I should heartily support a movement in favor of uniform state banking laws in all states.

9. The effect upon our financial situation as a whole, would in my judgment be very materially benefited by such a law.

10. I do not think the adoption of the National Association plan would have any tendency whatever to cause uniform state banking laws.

11. I believe in separate state banking departments, inasmuch as they must deal with local conditions.

12. The state bank commissioner, in my opinion, of our state, should have power to regulate the number of state banks allowed in any one city or town. The way our law now stands, any three or more persons can organize a state bank, regardless of whether or not financial condition of the community will justify such organization.

I am enclosing you under separate cover, a copy of our law, which will no doubt be of interest to you.

West Virginia Supervises All Kinds

West Virginia stands on very firm ground and has state supervision over all forms of banking. Samuel V. Matthews is the state banking commissioner and he ably sums up the situation as follows:

Our present banking law was passed in 1907, putting all forms of banking institutions under state supervision. Our law does not contemplate the organization or existence of private banking institutions. All banks must be incorporated.

5. This department has the power to appoint receivers of banks with the approval of the governor. After the receiver is appointed he is under the direction of the court of the county where the bank is located. We have no further power, except that we can remove the receiver for negligence or sufficient cause of any kind.

6. We enclose you a copy of our banking

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law, under separate cover. See section regarding same.

7. Private bank competition with no capital is unfair to other banks.

8. Yes, I would favor a uniform state banking law, provided it was properly drawn.

10. Unless permitted to issue currency during stringency in money market, I do not think the Reserve Association would tend toward uniformity of state laws.

11. Yes, each state should have separate banking department.

12. Our law should increase our powers so that we could require cashiers to have a certificate from the commissioner of banking, of good character and honesty before they can act as cashier, which certificate could be revoked for cause at any time. Such certificate to be renewed every year."

Pennsylvania Trying Out New Law

William H. Smith, commissioner of banking for Pennsylvania, is having the time of his life trying to enforce the provisions of the new Pennsylvania state law putting private bankers under state supervision. This law went into effect December 1, 1911. About seventy-five of the private bankers of Philadelphia and Pittsburgh raised a large fund and threw the whole subject into the courts. Several private bankers have been arrested, and will be placed on trial to determine the constitutionality of the new act. Commissioner Smith believes that the new law is fully adequate for the occasion, and instead of replying directly to our letter of inquiry, sent a copy of the new law, together with some newspaper clippings, showing the condition of affairs so far as court action has gone.

The new banking act has a section which provides "That, except as provided in section 8, no individual, partnership or unincorporated association, shall hereafter engage directly or indirectly in the business of receiving deposits of money for safe-keeping, or for the purpose of transmission to another, or for any other purpose, without first obtaining from a board consisting of the state treasurer, the secretary of the commonwealth and the commissioner of banking, a license to engage in such business." Before a license can issue, the private banker is compelled by this new law to file a written statement, verified under oath, showing the amount of the assets and the liabilities of the applicant. He must furnish a full description of the place where he proposes to engage in business, and the full names and addresses of all the partners or members of his unincorporated association or partnership. In addition to all this, he must

file with the commissioner, a bond with approved sureties, conditioned upon his faithful holding of the moneys that may be deposited with him or his bank. Failure to repay a fund so deposited works a forfeiture of the bond. The bonds specified are to be from \$10,000 to \$50,000 each. The act fully describes the method whereby the banker may deposit government bonds, or other approved securities, in lieu of the surety bond.

The applicant for a private banker's commission must publish his application once a week for at least three weeks, in two newspapers of general circulation in the county where he proposes to do business. After having done all this, it still lies within the discretion of the board to approve or not approve his application. A license fee of \$50 is charged. The license is not transferable and must be posted conspicuously in the place of business. It is the intention of the law that, where bonds are forfeited on account of the failure of the banker to repay depositors, the money obtained shall constitute a trust fund to help pay off the depositors. In short, the Pennsylvania law is a pure guaranty of deposits, so far as newly formed private banks are concerned.

Banks Must Be Operated Under Supervision

A feature of supervision which the Pennsylvania commissioner has over private banks under this new law, is uniformity in books of account. Each licensee must keep his books as directed, and must make full and complete records of all transactions, and at all times be able to show the relation of assets to liabilities. Twice a year the bank is inspected, and

a written statement under oath is made by the banker. This statement is to be published three times in a local paper. Any failure to do these things will bring about a revocation of the license, along with other penalties prescribed; the bank must close within twenty-four hours after revocation. The law is very severe on any person, partnership or unincorporated association which shall attempt to carry on the business of banking without first having obtained a license and filled a bond. They must not use in any advertisement, letterhead or publication of any description, the word "banking," or any equivalent term, in any language whatsoever. To do so is to be guilty of a misdemeanor, and puts the transgressor in the same position as if he had made a false affidavit, or had failed to make and publish reports after having obtained a license. There is a fine of \$20 per day for failure to report, and a fine of \$1,000 or two years imprisonment, or both, or either, in the discretion of the court for making false reports.

The Pennsylvania law at its very best, came about as a compromise. The private bankers of that state had for years been able to defeat such legislation, but finally compromised on an arrangement whereby private banks having been in business for seven years in one location, were not forced to come within the provisions of the law. This is the feature of the act which the private bankers expect to use to defeat it, in that it makes an exception of those who have been in business for a certain length of time.

All Banks Under Supervision in Florida

Comptroller A. C. Croom, of the Florida state treasury department, writes that the banking laws of his state are satisfactory, and have met all of the requirements in exercising supervision over the banks within the state. Florida added a chapter to her state banking laws in 1907, which gave the comptroller entire supervision of banks and power to "examine into the affairs of every bank, banker, banking firm, banking company, branch bank or association doing business in the state, except national banks." The law is sufficiently stringent to give full power for the most thorough examinations. The commissioner may have access to all the books, papers, records and securities, and is authorized to examine any of the officers or employees of the bank under oath. All banks, including private banks, must be examined at least once each year, provided that savings banks shall never be examined less than twice a year. All banks and bankers, except national banks, are

Continued on page 28)

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CAPITAL ONE MILLION DOLLARS

ILLINOIS BANKING NEWS

By C. C. Burford

The toll of death among Illinois bankers has been unusually heavy this winter. Among those who have lately passed away we place the name of Henry Green, cashier of the First National of Sterling, at the age of sixty-six years. Mr. Green, a banker of many years in Sterling, was a native of Racine, Wisconsin.

H. G. Porter, president of the First National of DeLand, Piatt county, died at the state hospital at Watertown, January 29th. Mr. Porter was sixty-five years of age and was the owner of considerable choice farming land around his home town. Feeble health overtook him and at length his family removed him to Watertown, where he died.

Hiram Wilson, cashier of the First National of Geneseo, and a pioneer of Henry county, is dead at the advanced age of ninety years. He was one of the wealthiest citizens of Henry county and his fortune was estimated at one million dollars.

The deaths of George H. Monroe, a Joliet banker and treasurer of the national waterways commission, and of Albert D. Metcalf, president of the Oneida State Bank, in a town of the same name near Galesburg, were mentioned in last week's CHICAGO BANKER. Another well-known Illinois banker to pass away is Seymour G. Bronson, a former banker and also a former mayor of Rockford. Mr. Bronson was eighty-five years of age and died at Fort Plain, New York. He was born in Wyoming county, New York.

The death of the late Judge Alfred M. Craig of Galesburg a few weeks ago is recalled when the inventory of his estate placed the amount of his bank stock at par value at about \$100,000. As this stock had a book value of much more than that amount it demonstrates that Judge Craig was a prominent banker as well as an eminent jurist.

Kinley Likes Chapter Members

Professor David Kinley, dean of the graduate school, director of the courses in business administration and professor of economics in the University of Illinois, who spoke at the annual banquet of the Chicago Chapter of the American Institute of Banking on the evening of January 27th, has a good word to say about the commendable work which the junior bankers of Chicago are doing. Having had a wide

experience as a teacher and investigator of economic and financial topics, the word of commendation from Professor Kinley will be appreciated by chapter members.

Professor Kinley gave the following statement to a representative of THE CHICAGO BANKER:

"It gave me much pleasure to meet the members of the Chicago Chapter of the American Institute of Banking at their eleventh annual banquet, to which they had done me the honor of inviting me, with a request that I make some remarks. I have known something of the chapter during the past ten years and believe that the educational and social features have contributed greatly to make the work and life of the young men in the banks more efficient and pleasant. The Institute has been a benefit to them and to their employers. This opinion, which I have held simply from studying the work of the chapter, was strengthened when I looked into the faces of the members on January 27th, and talked with some of the officers concerning the work. The Chicago Chapter is to be congratulated on its efficiency and high standing in the Institute."

Will County for Soil Improvement

The farmers and bankers of Will county are hard at work on the "back-to-the-soil" propaganda. As a result there will be a campaign for an experiment station for the county; a boys' corn contest with prizes amounting to \$500; a monster corn show; a demand for road legislation of an advanced character; and a farmers' banquet this month "just to start the

ball rolling." Doubtless the Woodruffs and all of the lively First National of Joliet people will aid these various worthy undertakings.

Springfield Studies Correctly

As an evidence that Springfield people are interested in practical economic questions we note that the principal theme of the mid-winter high school commencement was "Thrift." The virtue of thrift, and the application of thrift to the problems of government, business and the home were discussed by the high school graduates. Surely this is a valuable theme for boys and girls of eighteen to be interested in. Their elders in Springfield are also interested in vital questions, for the second noon-day luncheon of the Springfield Commercial Association, held at the St. Nicholas Hotel, discussed "Crop Improvement." We learned that "the question created an unusual interest and there was a demand for tickets for the luncheon."

Citizens League in Peoria

The Illinois section of the National Citizens League will hold a conference for the promotion of a sound banking system in the Jefferson Hotel in Peoria February 21st. U. G. Orendorff of Canton is president of the Illinois section and John M. Glenn of Chicago is the secretary.

McClenathan a Candidate

C. V. McClenathan, cashier of the Danville

F. E. FARRELL	Established 1864	E. E. CRABTREE
F. G. FARRELL & COMPANY, Bankers		
Successors to First National Bank		
JACKSONVILLE, ILL.		
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A Strictly Commercial Bank

IRVING NATIONAL EXCHANGE BANK

A Decade of Growth—Comparative

United States	1900	1910	Per Cent Increase
Population.....	75,994,000	91,972,000	21%
Wealth.....	\$88,517,000,000	\$125,000,000,000	41%
Money Circulation.....	2,055,000,000	3,180,000,000	54%
Savings Bank Deposits ..	2,480,000,000	4,070,486,000	70%
National Bank Deposits ..	2,458,000,000	5,287,216,000	115%
Bank Clearings, U. S.	84,582,000,000	158,559,487,000	87%
Bank Clearings, N. Y.	51,964,000,000	99,257,662,000	91%

Irving National Exchange Bank

	1900	1910	Per Cent Increase
Capital.....	\$ 300,000	2,000,000	566%
Surplus and Profits	100,900	1,797,900	1681%
Deposits.....	3,446,500	28,360,200	722%
Assets.....	4,108,800	33,347,200	711%

OFFICERS

JAMES E. NICHOLS, V.-Pres. LEWIS E. PIERSON, President
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Bank Assets for Sale

Proposals will be received up to
twelve noon, February fifteenth,
for the purchase for *cash* of the
entire assets of the

California Safe Deposit and Trust Co.

of San Francisco

now in liquidation. Included
among the assets are *forty thousand*
shares of *Western Pacific Railway*.
Full schedule on application.

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National Bank, will be a candidate for the democratic nominations for treasurer of Illinois. He has been in the banking business in Danville since 1885 and served in the forty-second and the forty-third sessions of the Illinois legislature. Since retiring from the state assembly he has served as democratic chairman for Vermilion county.

Illinois Notes

The Title and Trust Company of Crawford County has changed its name to the Title and Trust Company of the Wabash Valley. The company, located in Robinson, increases its capital from \$25,000 to \$30,000, and the number of directors from four to eight.

F. F. Butzow, cashier of the banking and investment firm of A. Goodell & Sons of Loda, Iroquois county, is announced as a candidate for the republican nomination to the state legislature to fill the position left vacant by the refusal of George H. Hamilton, president of the First National of Watseka, to run again. Mr. Butzow has had a wide experience in local and in county politics.

John E. Keene, vice-president of the Dime Savings and Trust Company of Peoria, enter-

tained a party of forty friends at the Creve Cœur Club in that city in honor of Dr. F. J. McConnell, of DePauw University, who delivered a course of lectures at the First Congregational church in Peoria. Mr. Keene is a graduate of DePauw University and Dr. McConnell is president of that institution. Clergymen, educators and business men were invited to the luncheon.

Former Mayor Busse of Chicago, representing a coal company of that city, and C. W. Stilly of Benton, were the principal parties in a deal to secure options for Chicago capitalists on 8,000 acres of virgin coal land near Benton.

The First National of Peoria has re-elected the following officers: President, Charles R. Wheeler; vice-president and cashier, W. E. Stone; assistant cashiers, George M. Bush and Arthur Bennett.

The First National of Hoopston, J. S. McFerren, president, reports deposits of \$514,083 January 29th, the highest deposits in that vicinity.

Following the election of William C. White as president of the Illinois National of Peoria.

A. S. Oakford, formerly vice-president of the bank, has been named chairman of the board of directors.

Herbert Woods, with the First National of Springfield, is a candidate for the democratic nomination as recorder of deeds of Sangamon county.

Rev. W. T. McConnell, until recently minister of the Christian denomination in Arcola, has been elected cashier of the First National of DeLand. Mr. McConnell formerly was a minister in DeLand.

It is reported that the State Bank of Herscher, near Pontiac, and the Citizens Bank of that village are to be consolidated. The State Bank will take over the Citizens.

The record price for real estate in Douglas county was recently reached when seventeen acres of land lying between Garrett and Atwood, two villages, sold for \$6,000, or \$352 an acre. This land has no suburban qualities and is near no large town.

The Farmers and Merchants Bank has been organized at Greenwood, Wis.

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President L. G. BOURNIQUE, Cashier
HERMAN F. WOLF, 2nd Vice-President WALTER KASTEN, Assistant Cashier

DIRECTORS

L. J. Petit	Frederick Kasten	Gustave Pabst	Clement C. Smith
Herman W. Falk	Geo. D. Van Dyke	Patrick Cudahy	Dr. Chas. E. Albright
Isaac D. Adler	H. M. Thompson	Oliver C. Fuller	Herman F. Wolf
	R. W. Houghton	Charles Schriber	

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit	Frederick Kasten	R. W. Houghton	Oliver C. Fuller
Herman W. Falk	Charles Schriber	Gustave Pabst	Gardner P. Stickney
Isaac D. Adler	H. M. Thompson	Patrick Cudahy	Clement C. Smith



BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER By Mortimer I. Stevens

WISCONSIN

Business men and bankers generally, throughout the city of Milwaukee and the state, are assuming a more optimistic tone of late, and report a substantial increase in the volume of business transacted among the leading mercantile houses of the city. The trade has been fully up to the standard set in former years, while the manufacturers of staple lines report a steady list of orders, and splendid prospects for future trade. The larger manufacturers are preparing for a good business during the summer months, and in a number of instances some increase has been made in the working forces during the past few weeks. Demand for loans at the different banks is about normal for this time of the year, and the general character is such that while the banks are not inclined to believe that there will be any extensive improvement or alterations, there will be a steady trade during the summer. Money rates remain unchanged. Among bond salesmen there appears to be a feeling that within the next few weeks this trade will see a marked improvement, while at the present time it is reported as about normal.

As They Teach Banking in the Public Schools

State banks in Wisconsin received a manifestly unfair comparison with the national banks in a text-book prepared by a well-known school publishing company, which is now in use in our Wisconsin schools. Some of the statements made in this text-book are as follows:

"National banks are organized under and subject to national law and authority. State banks are purely state institutions organized under and subject to state law and authority."

"National banks issue circulating notes, while state banks do not."

"National banks are subject to a more critical examination than state banks."

"National banks are required to make fuller returns to United States officials than state banks are required to make to state officials."

"National banks are required to invest a portion of their capital in United States bonds. State banks are not."

"On the whole, the numerous requirements of the national bank act strengthen public confidence in national banks and make them more popular institutions than state banks."

When the attention of State Banking Commissioner Kuolt was called to this text-book, he lost no time in communicating with the authors of the book, who have since indicated a willingness to revise same, and have asked Mr. Kuolt to assist them in preparing a new chapter covering this branch.

Ilsey Talks on Monetary Plan

At the eighth annual meeting of Group I of the Wisconsin Bankers Association, held at Eau Claire, February 7th, James K. Ilsey, Milwaukee, spoke upon the "Central Reserve Association." Mr. Ilsey is a deep student of this most important subject, and his paper received special attention. The Hon. W. H. Mylrea, secretary Wisconsin Advancement

Association, spoke during the morning session on "Development of Wisconsin." Over one hundred bankers were in attendance at this meeting, who pronounced it one of the most successful meetings ever held in this state.

Waukesha Man Elected Cashier

Carl H. Sawyer has been elected cashier of the State Bank of North Lake. Mr. Sawyer was formerly cashier of the National Exchange Bank of Waukesha. The bank at North Lake was erected last summer, and has been transacting business for only a few months. W. W. Dayton was formerly cashier.

Many New State Banks

With the issuance February 2d of the certificate of authority to the Outagamie State Bank of Appleton to commence the business of banking, the state banking department has chartered nine new state banks in less than two months. This record is considered unusual. The capital of the Appleton institution is \$50,000. Frank Fries is president, and Wm. F. Kamps is cashier. Another state bank was chartered in Appleton in December.

Bids Farewell to Bachelor Days

Alexander Wall, credit clerk and advertising manager for the First National Bank, Milwaukee, will join the ranks of benedicts February 10th, when he will be united in marriage to Miss Vivian Crasemann of Milwaukee. Mr. Wall has been connected with the First Na-



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The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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JOHN CAMPBELL, Vice-President	JAMES K. ILSLEY, President	J. H. PUELICHER, Cashier
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J. H. TWEEDY, Jr.	GUSTAV RUESS	S. H. MARSHALL
		R. N. McMYNN
		C. C. YAWKEY

tional Bank since the fall of 1902, when he started as messenger, and has since occupied various positions with this institution until promoted to his present responsible post. Mr. Wall is a graduate of Harvard University, and has been a close student of banking methods, having been prominently connected with the Milwaukee Chapter of the American Institute of Banking. His papers upon banking given before that body have been widely discussed and copied by the financial press of the country.

State Bank at Greenleaf

The village of Greenleaf, Brown county, will have a state bank in the near future. A meeting of business men and farmers of that village and vicinity was held, and steps taken to organize a state bank. It will be necessary to erect a suitable building for the new institution, and it will be early summer before the bank will be open for business. Messrs. T. E. Connell, Thomas and John Flatley, and L. P. Fox, of Chilton, attended the meeting, and it is said they will take stock in the new concern.

School Savings a Success

A gain of \$9,866.51 in two years is the record to which the La Crosse Penny Savings Association points with pride as made by pupils in the local schools, according to the report issued by Mrs. Robert B. Lowry, secretary of the association. That the savings of the children, accumulated pennies at a time, have been of real practical value, is also indicated by the report. It tells of several instances in which children have taken the burden of clothing themselves from their parents during the cold weather, and in several instances taxes have been paid by money loaned by the children to their parents. The actual number of depositors among the thrifty younger generation of La Crosse has increased from 1,026, at the end of 1909, four months after the start of the project, to 2,210 at the end of 1911.

BANKING NEWS NOTES OF INTEREST

A charter has been granted to the Wisconsin State Savings Bank of Milwaukee, capital \$50,000. Gustave Reinke is president and Frederick A. Lochner is cashier.

E. C. Knabe was elected cashier and secretary of the Merchants and Farmers State Bank, Milwaukee, at the annual meeting of the directors. John T. Bliffert was named assistant cashier and Adolph G. Schwefel was

elected director, succeeding Peter F. Leuch, resigned.

E. A. Reddeman, cashier of the Germania National Bank, Milwaukee, has been re-elected treasurer of the Merchants and Manufacturers Association.

NEW BOND MANAGER FOR GUARANTY TRUST COMPANY OF NEW YORK

Robert H. Cox, formerly assistant secretary of the Guaranty Trust of New York, has been made manager of the bond department of that institution. Since graduating from Harvard in 1905, Mr. Cox's rise in the financial world has been rapid. He was first associated with Fisk & Robinson, and in 1909 entered the employ of the bond department of the Guaranty Trust Company. In 1910 he was appointed chief clerk, which position he occupied until September, 1911, when he became assistant secretary. Mr. Cox's recent promotion again emphasizes the fact that the banking business of New York City is being placed in the hands of young men, for Mr. Cox will not be thirty until his next birthday. He is a native of New Jersey, and received his education at St. Paul's School, Concord, N. H., and at Harvard.



ROBERT H. COX
Manager Bond Department, Guaranty Trust, New York City

PAY NO ATTENTION TO MARKET TIPS

One of the nuggets of advice appearing in "The Business Almanac" for 1912, published by Doubleday, Page & Co., under the heading, "The Tip" is as follows:

"Shun the tip above all things. It is guesswork or is given to injure the small investor. An operator who lets out his plans jeopardizes his own chances of success by creating an unwieldy following. This following will overdo the operator's plans, hence when an operator's plans are discovered he frequently abandons or postpones his contemplated campaign. Thus, an operator who takes the public into his confidence and lets out tips is either foolhardy or insincere, and the average man who receives tips may be sure they are public property.

"Operators have frequently given tips to entice the lambs into well-laid traps. As an example a story is told of Jay Gould, the famous speculator, who when asked for a tip by a preacher, gave it, promising to give the preacher his money back if he lost on the transaction. The preacher lost heavily, and complained to Gould, who promptly paid the churchman's loss. 'But my parishioners,' wailed the minister, 'their losses also are heavy, as you did not impose secrecy on me.' The great speculator looked at the minister and merely said: 'They are the people I was after.'"

BANK FEES DEPOSITED

Austin, Texas.—Commissioner of Insurance and Banking Gill has deposited into the state treasury to the credit of the general revenue \$4,162.50, which sum represents the examination fees of the fifteen state bank examiners for the month of January. This is in accordance with a change in the state banking law, as under the old law the examiners were paid out of the fees collected, while now the fees are deposited, and an appropriation is made to pay the examiners. The amount appropriated for this year is \$58,125.

The Cumminsville (Ohio) German Bank, which has been organized to open a bank in Cumminsville, has secured permission from the secretary of state to increase its capital from \$25,000 to \$50,000. The bank is not yet ready to open for business. John B. Heid, the flour merchant, is the president.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

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G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, February 7, 1912.—The continued quietness in the demand for money is beginning to give a tinge of pessimism to the attitude of certain bankers here. It had been hoped that by this time things would have begun to pick up, but it seems the contrary is the case, and indications do not point to a stronger market in the very near future. The more optimistic say, answering, that the pendulum has swung to the length of its arc in the direction of depression, and must of necessity work back in the other direction. There is the consolation for all, however, that the position is extremely strong, and banks are in better shape now to handle existing and future conditions than ever before in their history, at least the financial institutions in this region. Reserves are at a high point, and deposits are heavy. Relatively speaking, the market here is firmer than in other cities, and this is explained by the backwardness of certain sections of the South in repaying cotton funds. "The Planters," said one banker, "held back cotton when they might have sold it at 25 per cent higher than the present prices. Now they are obliged to sell, and most of the selling is in small quantities. Thus the producer is hard up, so also the merchant, and as a natural consequence the southern banker. Now while this is working no hardship here, as funds are overabundant anyhow, it might in a busy, full year result disastrously. Locally the demand for funds is not brisk. Not even the most hopeful banker living could construe the inquiry just now into an active one. Everyone is living from hand to mouth, metaphorically, and will continue to do so until after the election. And in my opinion simply electing a president will not help, but relief lies largely in who will be chosen. Railroads are not borrowing, and there is little or nothing in the way of new enterprise. The East is loaded down with a ballast of loanable funds, this despite the large sums said to have been loaned to Europe. The demand here is of a routine character, and not calculated to deplete reserves. Doubtless things will pick up, but just when or how it is impossible for me to state just now."

United Railways Decision

The decision in the United Railways mill tax in the circuit court, which was a sweeping victory for the city of St. Louis, had a most baneful effect on securities of the traction corporation, and incidentally nipped the incipient boom in local issues generally. Outside of sales of Railways shares and bonds on the down turn, the market has lapsed back into summer quietness. Much surprise was

felt because of the decision, as attorneys for the United Railways had expressed themselves as confident of gaining a favorable judgment, and in presenting their arguments were assisted by an array of legal talent which has seldom been entirely wrong in its opinions. An appeal to the Missouri supreme court will be taken, which means that about three years must elapse before final adjudication, as that tribunal is fully that far behind its docket. Meantime it is likely the securities will drag along. There is a report that the company will pay up arrears and accept the situation, in which event the wasting legal procedure would be arrested, but attorneys representing the company deny this, and it is natural they should oppose any step which would curtail so fruitful a field for their activities.

Bond Market Active

In its review the Mechanics-American National says that the bond market is showing the best absorption that has been shown for a year, and there is reason to believe there will develop from now on excellent buying of bonds by many classes of investors. Much of the inquiry has come from important business concerns, which find they can employ a portion of their surplus money as a result of lessened requirements. The bank gives a note of warning against excessive purchasing of bonds. A repetition of what happened in 1904 may happen. Then bonds in great quantities were purchased, which had no rapid sale, and when the revival in general business developed, the financial institutions and business concerns were obliged to liquidate their securities at a heavy loss, in order to get funds for actual requirements of business. It is pointed out that conservativeness is the wiser policy, and the reviewer believes there is a growing conservative sentiment especially among the commercial banks.

Our correspondents are pleased with the care we take of their business at the St. Louis National Stock Yards, because it is *thoughtful*, not mechanical.

CORRESPONDENCE INVITED

The National Stock Yards National Bank
National Stock Yards - Illinois

Shoe Supremacy Maintained

Considerable satisfaction is felt in local financial and business circles because of the fact that St. Louis maintained its position in 1911 as the country's largest shoe distributing center. A gain of \$1,000,000 in shipments was made over the preceding year. Leading shoe concerns predict material gains for this year, despite its being presidential year. According to statistics compiled by a leading authority, twelve St. Louis manufacturers last year made 30,000,000 pairs of shoes, valued in round numbers at \$46,800,000. The same concerns shipped shoes to the amount of \$61,000,000. One house alone made upwards of \$500,000 worth of shoes for the government in 1911. The report sets forth that 1911 was a dull year in shoes the country over, so that the showing made is considered splendid. The quality of shoes manufactured here in 1911 advanced approximately 5 per cent a pair, and another feature of the year's business was the stride forward made in the production of new styles.

Mercantile Gets Lease

The Mercantile Trust Company has purchased for \$150,000 a ninety-nine-year leasehold on the southwest corner of Eighth and St. Charles streets. This property adjoins that of the Mercantile Trust Company, and has a frontage of 120 feet on Eighth Street. It is understood that the leasehold was purchased for a client, but this is not definitely stated, and a rumor is current that the trust company may have acquired the property for its own purposes, with the view of expanding its present quarters.

Houston Oil Dividend

It has been announced by the management of the Houston Oil Company that the policy from now on will be to pay dividends on the preferred stock regularly as they fall due. This corporation was recently reorganized and refinanced in St. Louis, mainly through the efforts of Edwards Whitaker, president of the Boatmens Bank, and Colonel S. W. Fordyce. The readjustment disposed of accumulated dividends on the preferred stock by the issuance of certificates. Oil properties, which have not been touched, will be developed, as part of the program of operations during the next two years. The company owns about 800,000 acres of timber and oil lands in Texas and Louisiana.

Mississippi Valley Election

Eight members of the board of directors of the Mississippi Valley Trust Company were re-elected at the annual meeting of that cor-

The Chatham and Phenix National Bank of New York

192 BROADWAY

DIRECTORS

HORACE E. ANDREWS
President New York State Railways

AUGUST BELMONT
August Belmont & Co.

AUGUST BELMONT, Jr.
August Belmont & Co.

DANIEL J. CARROLL
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ELBERT H. GARY
Chairman of the Board U. S. Steel Corporation

H. STUART HOTCHKISS
Vice-Pres. and Treas. L. Candee Rubber Co.

JOHN M. HANSEN
President Standard Steel Car Co.

PARMELY W. HERRICK
Cleveland, Ohio

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Chairman of the Board

FRANK J. HEANEY
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AUGUST HECKSCHER
Vice-President Eastern Steel Co.

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President First National Bank, Norwich, Conn.

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LOUIS G. KAUFMAN
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WILLIAM A. LAW
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FRANK R. LAWRENCE
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HENRY F. SHOEMAKER
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SANFORD H. STEELE
President General Chemical Co.

FRED K. D. UNDERWOOD
President Erie Railroad Co.

JOHN D. VERMEULE
President Goodyear Rubber Co.

GEO. C. WARNER
New York City

SAMUEL WEIL
Samuel Weil & Son

FRANK S. WITHERBEE
President Witherbee, Sherman & Co.

JOSEPH H. WRIGHT
President U. S. Finishing Co.

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GEORGE M. HARD, Chairman

FRANK J. HEANEY, Vice-President

WILLIAM H. STRAWN, Vice-President

ALFRED M. BULL, Vice-President

BERT L. HASKINS, Cashier

HENRY L. CADMUS, Asst. Cashier

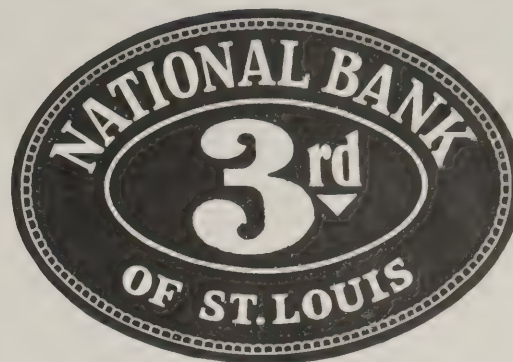
NORBORNE P. GATLING, Asst. Cashier

WALTER B. BOICE, Asst. Cashier

HENRY C. HOOLEY, Asst. Cashier

Capital and Surplus \$3,000,000.00

We invite the accounts of Banks, Bankers, Manufacturers, Merchants and Individuals



CAPITAL
\$2,000,000

SURPLUS
\$2,000,000

DEPOSITS
\$35,000,000

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G. W. GALBREATH - - - Vice-President
J. R. COOKE - - - Cashier
D'A. P. COOKE - - - Assistant Cashier

T. WRIGHT - - - Vice-President
R. S. HAWES - - - Vice-President
H. HALL - - - Assistant Cashier
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puration this week. The election of officers is scheduled for February 14th. The directors re-elected are: Breckenridge Jones, William G. Lackey, Nelson W. McLeod, Dr. Robert J. O'Reilly, Henry W. Peters, H. Clay Pierce, Henry S. Priest and Julius S. Walsh. It is stated that no changes are contemplated in the personnel of officers.

National Candy Meeting

There was no change as a result of the annual meeting of the National Candy Company. The following officers were re-elected: O. H. Peckham, A. J. Walter, F. D. Seward, V. L. Price, and R. M. Bates, St. Louis; A. H. Burt and Frank Sibley, Buffalo, New York; A. W. Paris, Minneapolis; E. R. Bean, Grand Rapids; J. H. Hart, Cincinnati; F. A. Menne, Louisville; and F. J. McDermott, Jersey City. Officers will be elected February 14th. The stockholders of the Wrought Iron Range reduced the directorate from eight to three members. The remaining directors are B. B. Culver, who was elected president; William C. Moore, vice-president; and E. R. Culver, secretary.

New Steel Barge Line

The project for operating a steel barge line on the Mississippi River between St. Louis and New Orleans is meeting with enthusiastic support among all classes of St. Louis business men. Subscriptions for the stock have exceeded expectations, and the entire issue will doubtless be disposed of before the end of the present month. Bankers here are strongly backing the enterprise. A. L. Shapleigh, vice-president of the Merchants-Laclede National, who is vice-chairman of the organization committee, says that enough freight is in sight to assure financial success for the line from the

day the first barge clears for the South. Numerous shippers are holding back freight in order to give it to the new barge line. The organization committee consists of the following: Murray Carleton, chairman; A. L. Shapleigh, vice-chairman; W. K. Bixby, E. A. Fause, A. H. Frederick, W. J. Holdbrook, Jackson Johnson, Elias Michaels, and Gerald B. O'Reilly.

Nickerson Associated with Son

John Nickerson, Jr., has issued cards announcing that his father, John Nickerson, has become associated with him in his brokerage business. The elder Nickerson recently resigned as vice-president of the National Bank of Commerce.

BUSY REPAIRING SAFES

A few days ago a representative of THE CHICAGO BANKER visited the repair department of the Donnell Safe Company at 227 West Washington Street, Chicago. As is well known, this firm is the general western agent for the New York Safe and Lock Company, and as such does a large and prosperous business. A department about which the general public knows very little, however, is that of repairing and bringing up to date damaged or out-of-date safe and vault door equipments. In this department alone Mr. Donnell employs seventy men, and the things which they are able to do to old-time safe locks are something amazing. Most of them can be made as good as a new, modern pattern, and at not much over one-third of the cost. This is a department of the business which it would pay outlying banks to look into.

Among the recent contracts for new safe

and vault equipment shown by the books of the Donnell Safe Company are the following: Northwestern Trust and Savings Bank, Chicago; Suburban Trust and Savings Bank, Oak Park; Du Page County Savings Bank at Glen Ellyn; Gary-Wheaton Bank at Wheaton; and the big, new vaults of the Ayres National at Jacksonville, Ill. This latter is the bank which was taken over by Dunlap, Russel & Co., to which they have diverted all their principal business. When the new building is completed it will be one of the best and most up-to-date in the state.

TENNESSEE GROUP MEETINGS

The Tennessee Bankers Association will hold its group meetings in the three grand divisions of the state in February. The east Tennessee bankers will assemble at Knoxville February 16th; the west Tennessee members at Jackson February 20th, and those from the middle portion of the state will meet at the headquarters of the association at Nashville February 22d. On the latter date at the same place the executive council of the state association will meet, and, as the governing body, will fix the next place of meeting as well as to transact other business of importance. The annual meeting of the association will this year go to east Tennessee, and Bristol and Memphis are contending for the convention.

The group meetings that are to be carried on during the month of February are to be held for the purpose of discussing the question of legislation, taxation and other subjects.

\$50,000 BANK FOR CALIFORNIA

The comptroller has approved the application to organize the First National Bank of Van Nuys, Cal., capital \$50,000.

Editorial Comment

BANKERS FAVOR STATE SUPERVISION

The consensus of opinion among the Chicago daily newspapers, as editorially expressed, seems to be that the bankers at large throughout the state of Illinois will favor a new bank supervision bill and a bill creating a separate state banking department. As it is, two-thirds of all the banks in the state are under either state or national supervision. Banks which are operating under a state charter and a known paid-in capital are certainly operating under unfair competition with a bank which may be located across the street, which has no capital on which it must pay a heavy tax, and which has no restriction with regard to the nature of loans which it may make. As a matter of fairness to the organized banks, all of the banks in the state should be compelled to segregate a certain amount for capital and permitted to bear their fair share of the tax burden which rests quite heavily on state and national banks alike. No one wishes to be put in the position of finding fault with the state banking department as conducted by our able state auditor, yet there are many little things about which state bankers complain, and which would be very readily remedied if Illinois had a separate banking department, as others states have. Recently an inquiry was sent out to all of the state banks in Illinois, by a high official of the Illinois Bankers Association. Of those addressed, nearly 50 per cent replied directly that they were in favor of a separate banking department. An additional 15 per cent expressed the belief that the present office arrangement did not keep in as close touch with banking as it ought, and that much of the work as performed by state employees was merely perfunctory. Not a few of the bankers cited, for instance, that foolish regulation which compels the examiner to take the name, date, amount and maturity of every note held by a bank. This is considered an absurdity, and one of the things which prevent the examiner from making an adequate examination of the bank in the time at his disposal. More than half the bankers in the state filed strenuous objections to the mileage charge as inflicted by the auditor's office. A part of them referred to it as "graft." The objection to the mileage charge can be explained in this way: When an auditor examines a bank in Springfield, he charges it a fee of \$10; when he examines a bank on the edge of the state, he charges it the regular fee of \$10, plus mileage from Springfield and return, amounting in many cases to more than double the fee for examination. In this upper end of the state, where the examiner lives in Chicago and examines a bank in Highland Park, he rides out and back for a five cent fare. He charges the bank, however, constructive mileage from Springfield and return.

The Chicago Banker

PUBLISHED EVERY SATURDAY FROM

406-7-8-9 Monadnock Block, Chicago

SUBSCRIPTION \$5.00—10 CENTS A COPY OF NEWS DEALERS

HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

If there were ten banks in Highland Park and he examined all of the ten, they would each be asked to pay constructive mileage from Springfield to Highland Park and return. If the auditor or his examiner found himself at Moline, and after examining the banks in that city, he visited the banks in Rock Island, a mile or two away, each of the banks in Rock Island, as well as those in Moline, would be compelled to pay constructive mileage from Springfield and return. He is a pretty religious and circumspect banker who will not use strong language when this portion of the subject is called into conversation.

With a state banking department and a better banking law, we would not have certain "trust" companies in Chicago, some of which conduct a pawnbroking business, and other businesses which cannot well be described. At the bankers' conference at the Blackstone the other day, attention was called to a certain incorporation known as the "State Federal

Title & Trust Company of Chicago," with a capital of \$2,500, under the general incorporation laws of the state. The state auditor answered inquiries concerning this institution, saying that the corporation was not a bank and that it was not authorized to accept or execute trusts. If the state auditor were as particular about such matters as he is to assert his privilege of charging constructive mileage, there would be fewer of such companies to confuse and mislead the public. No less than three of our large trust company banks in this city are continually annoyed by other concerns flaunting the same title, and some of them incorporated. With a proper banking law and a separate banking department, none of these inflictions could continue to exist. At the present time there is no law in Illinois, which has not been explained away by either the courts or the attorney general, to prevent any individual from renting a set of fixtures and calling himself a bank, a savings bank or a trust company. Not so very long ago two ex-city detectives from a near by city, having been discharged from the force for accepting graft from unfortunates, came to this city and opened up a bank with a high-sounding title. They advertised 4 per cent on savings in the foreign district, although the bank was on Dearborn street, and quite near to the financial district. In the six weeks which they ran, they secured very close to \$36,000 in deposits. When interest day came around the second time, the detectives had departed for other parts, and the company which had rented them the fixtures gathered them in. This was the end of that particular private bank. A new law for Illinois should specifically care for the use of all banking terms, either on printing or on signboards; this much is due the public.

Some time ago, Mr. Woodruff of Joliet, when the new constitution was under consideration, sent out an inquiry to all the banks in the state, as to how many of them favored state supervision. Not all of them answered, but the files of this correspondence show that supervision was favored by 251 nationals, 239 state banks and 111 private banks, making a total of 601 banks favoring supervision. Among the banks which replied and which are not favorable were 10 nationals, 8 state banks and 166 private banks, making a total of 184 against supervision. This ought to answer the question of the Chicago Tribune, the Chicago Record-Herald and the Chicago Daily News as to how the bankers of the state stand on this question.

Many of the best informed among the private bankers have felt for many years that the "jig is up," so to speak, for go-as-you-please banking in this state. A large number of them have incorporated, some of them using their present titles, but incorporating against a time when supervision may come with a

Convention Dates

VERMONT—Montpelier, February 22; Secretary, F. R. Dickerman, Bristol.

TEXAS—San Antonio, May 7, 8 and 9; Secretary, J. W. Hoopes, Austin.

OKLAHOMA—Tulsa, May 10 and 11; Secretary, W. B. Harrison, Enid.

ALABAMA—Mobile, May 17 and 18; Secretary, McLane Tilton, Jr., Pell City.

MISSOURI—Joplin, May 21 and 22; Secretary, W. F. Keyser, Sedalia.

KANSAS—Topeka, May 23 and 24; Secretary, W. W. Bowman, Topeka.

CALIFORNIA—Long Beach, May 23, 24 and 25; Secretary, F. H. Colburn, San Francisco.

MINNESOTA—State Agricultural College, St. Paul, June 14 and 15; Secretary Charles R. Frost, Minneapolis.

PENNSYLVANIA—Bedford Springs, June 18 and 19; Secretary, D. S. Kloss, Tyrone.

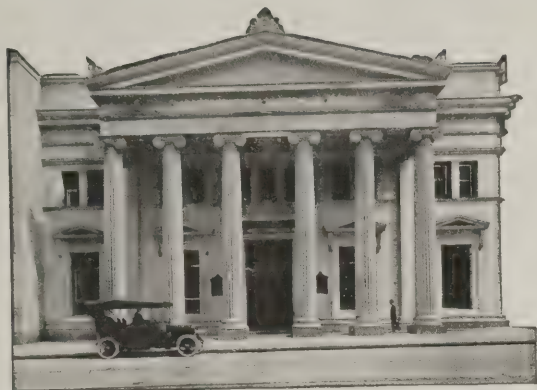
VIRGINIA—Old Point Comfort, June 20, 21 and 22; Secretary, Walker Scott, Farmville.

NEW YORK—Buffalo, June 13 and 14; Secretary, William J. Henry, New York City.

NORTH DAKOTA—Jamestown, June; Secretary, W. C. Macfadden, Fargo.

WISCONSIN—Milwaukee, July 24 and 25; Secretary, George D. Bartlett, Milwaukee.

American Bankers Association—Detroit, week of September 9-14; Secretary, Fred E. Farnsworth, 11 Pine Street, New York City.



The Northwestern National Bank

MINNEAPOLIS, MINNESOTA

Capital and Surplus \$5,000,000.00

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EDWARD W. DECKER	WM. H. DUNWOODY	Chairman of the Board	
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JOSEPH CHAPMAN, JR.	Vice-President	R. E. MACGREGOR	Assistant Cashier
J. A. LATTA	Vice-President	H. P. NEWCOMB	Assistant Cashier
A. V. OSTROM	Vice-President	W. M. KOON	Assistant Cashier
	Cashier	S. H. PLUMMER	Assistant Cashier
	H. J. RILEY	Assistant Cashier	

rush. Others of them, less far-seeing, are in favor of presenting a banking bill, such as will be satisfactory to all the bankers of the state, and not waiting until such a time as aroused public sentiment will force through a drastic measure which will be burdensome. They recognize that private banking is not a private business, except as a talking point, and that all banking is of a quasi-public nature; that bank supervision and examination is one of the accepted public doctrines in this country which has met with approval in every state of the Union except four; that in those four the sentiment exists in favor of it, but the political power of the unincorporated banker and his political allies have prevented its being enacted into law.

BANK SUPERVISION IN OHIO

Events in both Ohio and Pennsylvania seem to have been shaping themselves to further the campaign which has been started recently in Illinois for universal bank supervision throughout the state. Pennsylvania, after years of battling with the unrestricted banking abuse, finally passed a bill which became effective December 1st of last year. It permits private banking, but compels the proprietor to put up a bond guaranteeing his depositors; he also is obliged to submit to an examination twice a year. More than fifty private bankers of the city of Philadelphia alone raised a large fund with which to contest in the courts the operation of the new law. They obtained some advantage by employing an attorney who is a member of the private firm of Attorney General Bell. The public and the newspapers, however, compelled the attorney general to take some steps, and three prominent private bankers were arrested. The penalty for conducting a private bank contrary to the laws of Pennsylvania consists of both imprisonment and fine. Two private bankers have disappeared rather than face inspection; those who have remained behind have shown that the inspection feature is their real objection to state supervision.

Ohio has waged a several years' battle against the private banking element in that state, where it is very strong. Attempted legislation has been defeated time after time. Finally, however, the state secured the establishment of an adequate state banking depart-

ment, such as is being agitated in Illinois at the present time. The Ohio state banking commissioner has assumed the position that a private bank cannot be a depository for the reserve of state banks. Only last week, he notified three state banks, all under practically the same ownership, that their reserve accounts must be withdrawn from a certain prominent private bank. It was again demonstrated what the real objection to supervision is, for when the private institution had to face the demands of the commissioner, or close up, it promptly closed its doors, and along with it went the three state banks, which, in reality, belonged to, and were feeders for, the private bank. All of this was clearly told last week in the columns of this paper. Attention is called to the situation here, because it applies to and illuminates conditions which are common to Illinois, Ohio and Pennsylvania. It furnishes the best of arguments why Illinois should have a separate and distinct banking department, and why all forms of banking within the state, and all banking terms and descriptions, whether on signs or on printing, should be restricted to the use of incorporated institutions.

Frank D. Brundage

Frank D. Brundage of the K. N. & K. Company, New York, was in Chicago this week. He left for Denver and the Coast on the Friday, 5 p. m. Burlington.

A charter has been issued to the First National Bank of Tustin, Cal., capital, \$25,000. William C. Crawford, president; John Dunston, vice-president; Edmund J. Cranston, cashier; Fred G. Courier, assistant cashier.

TWO TOURS CUBA AND FLORIDA

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P. C. Kauffman

P. C. Kauffman, was the guest of honor at the annual banquet of the Seattle Credit Men's Association, and at the conclusion of the dinner addressed them for an hour upon the National Reserve Association. Without dwelling particularly upon the technical phases of the proposed plan he spoke at length upon the evils of the present currency system and the necessity of immediate amendment, arguing that the adoption of the plan as proposed by the commission would settle forever the vexed currency question.

CIRCLE TOUR OF CUBA AND FLORIDA

On February 16th the American Tourist Association, 1418 Marquette building, Chicago, will conduct from Chicago, a circle tour of Florida and Cuba, lasting sixteen days, five days at the principal resorts of Florida, six days in Cuba. All expenses will be included in a \$200 ticket, which ought to be news to those who nearly went broke on the Panama trip from the New Orleans, A. B. A. convention. For the \$200 you get berths in Pullmans, meals in dining cars, rooms at best hotels, auto and carriage drives and meals and berths on steamer. A second tour will start March 5th.

W. O. JONES, NEW YORK, ILL

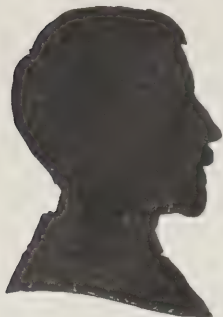
His thousands of friends and acquaintances in the West will be pained to learn of the severe illness of W. O. Jones of the National Park Bank. Mr. Jones has been passing through a severe case of la grippe, followed by rheumatism, and has been confined to his house for quite some time.

KANSAS CITY POSTAL SAVINGS

The deposits in the Postal Savings Bank of Kansas City, Kan., show a total of \$56,149 for the month ending January 31st. There are in all 554 accounts in the bank. One hundred and fifty-eight new accounts, making a total deposit of \$18,395, were opened during the month.

PEORIA WANTS ILLINOIS CONVENTION

The new hotel at Peoria, one of the best in the state, was "opened" with a formal, boosters' banquet, on Tuesday night. Seven hundred were there from all over the state. Quite a boom was started for holding the Illinois bankers convention there this year. The Peoria bankers are very earnest in the matter and have the backing of those in Springfield and most of those in Chicago.



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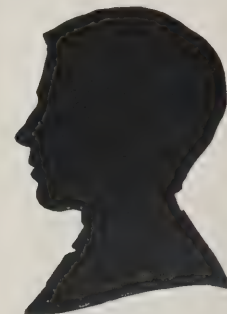
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NATIONAL ASSOCIATION OF MERCANTILE AGENCIES WILL MEET IN SPOKANE

One thousand delegates from all parts of the United States will attend the eighth annual convention of the National Association of Mercantile agencies in Spokane, August 20th to 22d, according to advices received by Louis Martin, secretary of the Ames Mercantile agency, who is a member of the advisory board of the big organization.

"Kansas City, Des Moines, St. Paul and several middle western cities report they will send their representatives to Spokane in special trains, and there will be large delegations from many other points," Mr. Martin said, "while from Texas will come a large party, and there will be visitors from southern and western states."

Mr. Martin has a letter from R. E. Kerr, secretary of the Merchants Credit Association of Fort Worth, Texas, who says among other things:

"The Commercial Secretaries and Business Men's Association has agreed to organize a Spokane club and already ten have joined. At our next state convention in May, the slogan will be, 'On to Spokane.'"

"The Northern Pacific has been selected as the official route between St. Paul and Spokane and special trains will leave the first-named city on August 9th, arriving two days later at Billings, Mont., where we will be entertained by the chamber of commerce, going thence to Yellowstone Park for a week. We will return to Gardner on August 18th, and visit Butte and Missoula, Mont., the following day, arriving in Spokane on August 20th."

"During the three-day convention our guests will be entertained at a banquet by the Spokane chamber of commerce, in addition to which there will be excursions through the Spokane Valley and on the St. Joe River, also to other nearby resorts. William H. Burr of Rochester, N. Y., will preside as head of the association. He and William P. Thompson of New York, secretary, will be accompanied by a large delegation from points on the Atlantic coast."

"The delegates will leave Spokane for Lewiston, Idaho, at one o'clock the morning of August 23d to pass the entire day in the Lewiston-Clarkston district, going thence to North Yakima for a stay of four hours, also visiting Tacoma, Seattle, Olympia and Portland, arriving there on August 26th and continuing the journey to San Francisco and Los Angeles, where the party will disband."

"This convention means much to the Pacific slope and inter-mountain country, as it will afford an opportunity to familiarize eastern representatives, who come into personal contact with thousands of investors and business men generally in the course of the year, with the undeveloped natural resources and financial, commercial and industrial possibilities of our district and country and through this encourage investments of all kinds."

A. F. Dawson

Legislation on the currency question is of greater importance than tariff or trust legislation, was the declaration made in a speech recently to the Scott County Farmers Institute at Eldridge by ex-Congressman A. F. Dawson, now president of the First National Bank of Davenport. He said the greatest essential to the country's prosperity and development is a monetary system that will meet the demands of modern business. Continuing, he said:

"The present system is out of date and wholly inadequate to meet the needs of to-day. With the tremendous advance in business since its creation fifty years ago, we have outgrown it. We are trying to handle the vast business of the twentieth century with machinery created about the middle of the nineteenth century. We plume ourselves on being a progressive people, and yet we tolerate a system of banking and currency that fails completely when any unusual demand is made upon it."

"To appreciate the importance of an adequate banking and currency system to the general prosperity of the country, it should be remembered that 90 per cent of the 450,000 million dollars of business which is done annually in our country is performed by checks and other forms of bank credits. When anything goes wrong with this vast banking machine, the effect is immediately felt in every line of industry—business is halted, commerce retarded and production curtailed, with the consequent reduction in employment and wages, and falling prices for farm products."

There is a shortage of cash to move the crops, and banks are compelled to curtail their loans for ordinary business transactions.

"As a result the people have been subjected to enormous losses, because our defective monetary system fails to perform its natural functions in times of financial stress. And these losses fall far more heavily upon the producers, the wage-earners, and the small business men than upon the large commercial and financial interests."

"We need a system that will provide that elasticity of currency and credit which will meet the varying needs of business at different seasons of the year. Particularly when the season comes to move the vast agricultural crops of the country, we should be able to expand our supply of credit, while at other seasons it needs to be contracted. To handle business properly this increase and decrease should operate automatically. This is impossible under our present system of currency based on government bonds."

"The present law regarding bank reserves, both for state and national banks, operates in time of financial stringency to intensify conditions rather than to relieve them. As you know, each bank is required to keep a reserve equal to a certain per cent of its deposits, and in times of panic every bank scrambles to build up its individual reserve, and to do this it reduces its loans and sometimes, as in 1907, suspends cash payments. A law to unify the bank reserves of the country and mobilize them so they will be available and when and where most needed, will cure one of the most vital defects of our present system."

"All of the banks, both state and national, should be organized into an association which, while preserving their individual independence, will secure unity and co-operation especially in times of stress. A law embracing these three features, together with certain lesser additions, which I need not enumerate here, will give the country immunity from the disastrous money panics of the past and assure the transaction of the rapidly increasing business of the nation with safety and security."

"How are we to attain this result? The first thing necessary is to awaken public opinion to the importance of the subject. It is not a partisan question, and it is of paramount importance that it be kept free from politics."

"The monetary commission has made a non-partisan report to congress and it is a unanimous report. That report should be acted upon during the present session, and the word should go up to Washington in a swelling chorus that the country expects our law-makers to do their plain duty. We will get legislation from congress just as soon as that body understands that the people demand relief from the present intolerable situation."

The First National Bank, Melrose, Minn., has incorporated as the Security Bank of Melrose, with the same officers and capital stock.

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CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

PHILADELPHIA CHAPTER NEWS

The promoting of fake stock companies in the country can be prevented if the people would attend the annual meeting of stockholders, declared Sereno S. Pratt, secretary of the chamber of commerce, of New York, in speaking before the Philadelphia Chapter of the American Institute of Banking at a meeting held last Friday.

Mr. Pratt said that one of the reasons fake stock companies are successfully launched here is because the majority of stockholders are satisfied to vote their stock by proxy. In England, the majority of holders of stock attend the annual meeting. By doing this they satisfy themselves that the affairs of the company are being properly managed.

F. W. Ellsworth, publicity manager of the Guaranty Trust Company of New York, spoke on "Bank Publicity." "The employees of a bank, from the lowest salaried clerk to the highest official, can assist in bringing business to the bank by giving prompt and accurate service to their customers," he said. "The bank should advertise its wares the same as a department store. The ads should tell the people what the bank has and what it can do. The ads in every case should be specific."

The Philadelphia Chapter debated last (Friday) night with the Lyceum League of Camden on the subject: "Resolved, That the Commission Form of Government Should be Adopted by the Municipalities of the United States."

"INTER-CHAPTER" DEBATE

The Cincinnati Chapter of the American Institute of Banking has negotiations under way to arrange a date for a debate with the chapter at Pittsburgh. John Brewster, president of the Cincinnati Chapter, announces that the event will come off in Pittsburgh, and that the date most probably selected will fall in the early part of March.

It was at the instance of George E. Allen, of New York, who is known as the educational director of the Institute, that the debate was arranged. Mr. Allen was left to select the subject, and he chose: "Resolved, Transit items Should Be Collected Through the Clearing Houses Rather Than Individual Arrangements Between Banks." A flip of the coin decided which side was to take the negative. That lot fell to Cincinnati.

In about two weeks a preliminary debate is to be held. All the members are invited to take part, and those putting up the strongest argument will be selected by a committee. Three of the members will make the trip, and the expenses will be borne by the Cincinnati and Pittsburgh chapters in equal amounts. Much interest is being taken by the bank clerks, and already parties are being formed to accompany the debaters.

DINNER OF GROUP 5, NEW YORK

The annual meeting and banquet of Group 5 of the New York State Bankers Association will be held Saturday evening, February 17th, at the Ten Eyck, New York City. James H. Perkins, president of the National Commercial Bank of Albany, is chairman of the group.

Superintendent George C. Van Tuyl, of the state banking department, has accepted an invitation to be present at the dinner.

CUBA CHAPTER NEWS

By WILLIAM H. MORALES, VICE-PRESIDENT
CUBA CHAPTER.

On January 10th Dr. Leopoldo Cancio, of the National University, who was secretary of the treasury here during the first American intervention, and is the leading authority on economics in this country, delivered his second lecture of the season on political economy before the Cuba Chapter of the American Institute of Banking, in Havana. The theme of the lecture was "Production," in analyzing which the doctor laid special stress on man, whose mental and physical activities constitute labor, in present economics. The factors of production, said Dr. Cancio, have been variously classified. The general order, namely, that of land, labor and capital, I consider as most convenient.

Land means in economics the entire resources of nature, that is, the earth in its astronomic, as distinguished from its geographic sense. Labor signifies the mental and physical activities of man in the field of nature; while capital is that part of a country's wealth which is engaged in the production of new wealth.

The progress of a country is measured by the ability and enterprise of its inhabitants, and these are in turn affected by climate situation and natural conditions. The reason for the advance of Europe over Asia and Africa in the arts of civilization is found by ethnologists in the physical geography of Europe. With as long and diversified coast lines, numerous inland seas, navigable rivers, various land elevations, classes of soil, differences of climate, adjacent islands and accessibility to other countries, it is singularly favored by nature, as compared with the immense land masses of the other two continents, whose arid wastes are oftentimes unbroken, save by impassable mountains, or rivers whose long courses are often obstructed by falls or other natural impediments.

In North America we find the same natural advantages over the South American Continent, and hence the progress of the former may be attributed in a great measure to the same cause, namely, the bountifulness of nature. The rivers of South America, for example, run generally east and west, through tracts of country lying in the same latitudes and yielding practically the same products, while those of North America flow mostly north and south, like the Mississippi, which, rising in Lake Itasca in the north, flows thousands of miles southward, draining a fertile country characterized by different climates, commodities and industries of the people.

These differences of environment have been offset to a great extent by scientific achievements such as railroads, steamships, telegraph and telephone communications; and by the continued application of human skill to the forces of nature, the agencies of steam, electricity and even the radium are destined to record wonderful achievements, accordingly as knowledge widens and new wants are felt.

In considering the history of economics, Dr. Cancio said that the second or Money epoch came as a revolution from the first or Natural period; and that money is to economics what the alphabet is to the world of literature. The

present or Credit period is simply an evolution from the Money era.

Despite the fact that the quarters of Cuba Chapter of the American Institute of Banking have been doubled in size, by the Christmas donation of a large hall by the National Bank of Cuba, standing room was at a premium, and Dr. Cancio was much applauded at the close of his talk.

GROUP 2, PENNSYLVANIA

The 17th annual meeting of Group 2 of the Pennsylvania Bankers Association will be held in Philadelphia at the Bellevue-Stratford Hotel, Monday, February 12, 1912. After the business of the meeting has been disposed of the group will be addressed by C. Stuart Patterson, president Western Savings Fund Society, on "Some of the Features of the Proposed National Reserve Association," followed by H. H. Gilkyson, Esq., of the Chester County Bar Association, on the "Banker and the Bar."

NORTH AND SOUTH AMERICAN BANKING COMPANY

The North and South American Banking and Commercial Company, Ltd., has been incorporated as a joint stock concern in Buenos Ayres, with capital of \$20,000,000 gold. A proportion of the preferred shares has already been subscribed for and guaranteed on call, dependent on a further subscription in the United States.

The company, which has an approved charter empowering it to carry on banking and exchange transactions of all kinds, was formed by twenty-five leading Argentine capitalists who are resident in that country, and its purpose is to conduct a general banking and foreign trade business between the United States and South America, with special reference to Argentina. Provision has been made for United States shareholders, in accordance with Article 358 of the Argentine Commercial Code, whereby they shall meet and elect a foreign committee of three or more members, one to be the president and another the secretary.

Announcement of the incorporation has been made through the American Manufacturers Export Association, who state that they have received a confidential report on the project from the state department at Washington, D. C.

SMALL-LOAN BANKS

It has been demonstrated in Boston that it is possible to lend money to deserving people, in small amounts, and make a profit out of it. And now the experience of an Atlanta institution gives a still clearer proof of the fact. A private bank was opened four months ago, with a capital of \$50,000, with the express purpose of lending money in small amounts to deserving people. The volume of business has increased so rapidly that it has already been found necessary to issue an additional \$50,000 of capital stock, which is offered to the public at an advance of 10 per cent and is finding a ready market. The bank has put out in four months \$57,633 in loans at legal rates of interest and the 472 borrowers have been saved more than \$10,000 interest. At the same time the bank—which is in no sense a charitable affair—is making a handsome profit.

R. T. FORBES - President
J. E. COMBS - Cashier
R. S. BRITTAIN, Asst. Cashier
R. N. RIDGE - Auditor

THE FIRST NATIONAL BANK

Of Buchanan County

ST. JOSEPH, MISSOURI

Largest Capitalized Bank in the State outside of Kansas City and Saint Louis

CAPITAL \$500,000
SURPLUS 300,000
ASSETS 6,500,000

We solicit your business and offer you exceptional facilities. Correspondence invited " "

Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

"Trade conditions have been disappointing in this territory since the first of the year," said Thornton Cooke, vice-president of the Fidelity Trust Company of Kansas City, to THE CHICAGO BANKER correspondent this week. "Superficially things are very quiet, but I want to say that there is a better undertone than I have seen for several years. I believe that liquidation has about reached its completion and that conditions are on their way to an upturn. Wheat conditions that generally cause a good deal of anxiety this time of year are splendid. In fact, they could not be better in Kansas and Oklahoma, where a blanket of snow has provided abundant moisture and protection for the past four or five weeks. On the strength of these conditions it would not surprise me if there was the biggest crop of wheat harvested in this territory in history. At any rate we are justified in being jubilant on the strength of the outlook as it is now presented."

Dolley Takes Sides with Bank Clerks

Bank Commissioner Dolley, of Kansas, has come to the aid of bank clerks. Following closely upon the defalcation of a young man in Topeka, Mr. Dolley has issued a statement to the Kansas banks in which he charges that many of the defalcations of bank employees should, in a large measure, be chargeable to the officers higher up. In many cases he says the officers of banks do not keep in close touch with the employees as to their daily habits, and oftentimes do not pay them sufficient salaries, largely due to the bank's eagerness to pay big dividends. "Every employee of a bank should receive a fair salary," says Mr. Dolley. "And when he is receiving a fair salary and full compensation for his services and cannot live within the amount, his services should at once be discontinued. If it is impossible to do this from the earnings of the bank, the bank should liquidate and go out of business."

Public Utilities Commission Given Power to Refuse Charters to Banks

The Kansas public utilities commission has extended the scope of its authority in the same manner as that of the bank commission of that state. The last legislature passed a law giving the various commissions power to refuse charters to banks and public utilities in Kansas towns where there is already too much competition or not enough business to warrant any competition at all. The bank commissioner has refused to grant charters to a number of bank incorporators who sought to establish state banks where there are already enough banks to take care of all the business in sight. This position of the commissioner and his associates has been challenged in several cases where appeals have been made to the courts, and these cases are still pending. Now the public utilities commission says it will not issue a permit to a new public utility in a town or city where a similar utility is already doing business and furnishing satisfactory service. The ruling was made in connection

with a case that came from Parsons, Kan. Parsons had one electric light company. Plans had been made for the formation of a new company and application was made for authority to issue stocks and bonds to finance it. After hearing both sides the state commission refused the permit. This is considered a very important case among Kansas financiers, as it is the most paternalistic ground yet taken in the relation of the state to business.

Condition of Kansas State Banks Satisfactory

State Bank Commissioner Dolley of Kansas in his report on the condition of the Kansas state banks says: "The result of the official call December 27, 1911, is quite satisfactory. It shows the banks to be in a strong position with an increase of deposits since August 28th, of \$3,931,489. Banking and business conditions in Kansas for January, 1912, exceeded expectations. Bank deposits have increased. Money has been in strong demand at reasonable rates for legitimate business purposes. The retail and general trade has been normal with the usual quiet pulse of the first month of the year. The conditions of the 1912 wheat crop are most flattering and one of the most promising in the history of the state. Whatever may be the finish, we have in sight today a wheat crop of from 100,000,000 to 125,000,000 bushels. The crop prospects for the current year are very pleasing. The farmers are beginning to talk and get ready for spring work." There are 897 state banks in Kansas.

Kansas Executive Council Meeting

The Kansas State Bankers Association now has a membership of 405 and there is \$2,000,000 in the treasury. The executive council, which held a meeting in Topeka a few days ago in the offices of the state bank commissioner, was well pleased with the annual report. The annual meeting of the Kansas State Bankers Association will be held in Topeka, May 23d and 24th. This meeting will devote more time to business and less to the social side of banking than is customary.

Only One Bank Robbery

As astonishing as was the era of bank robberies in Kansas a year or more ago is the fact that during the past twelve months only one bank in the state was robbed and in that instance of the four men implicated, one is dead and the other three have been sentenced to the penitentiary. "Two or three years ago," said M. B. Light, of Winfield, Kan., president of the Kansas State Bankers Association, "a bank robbery in Kansas was a common thing. Scarcely a week passed that some bank in Kansas was not robbed. Two gangs were operating in the state, one along the northern border and the other along the southern border. We bankers feared daily that our banks would be the next. But it looks to be now as though the era of bank robbery in Kansas is about passed. The law enacted by the last Kansas legislature providing life terms for bank rob-

bers has served to clean up the state. The robbers have gone to other states where the penalties are not so severe."

St. Joseph Has Record Clearings

St. Joseph, Mo., continues to make new clearing house records for itself. The bank clearings for January were \$36,091,204, the largest clearings for the first month of the year in the history of the city, and showing an increase over the corresponding month a year ago of \$3,803,204, or 11.77 per cent. Clearings for each day during the month were over \$1,000,000. The increase in live stock and grain receipts and the generally healthy business conditions in the territory tributary to St. Joseph are responsible for the splendid financial showing made by the St. Joseph banks.

Depositors Receive 75 Per Cent

After more than a month of uncertainty, the affairs of the defunct American Union Trust Company of Kansas City and the All Night and Day Bank, which it absorbed last summer, are to be settled, at least so far as the depositors of the bank are concerned. The Commerce Trust Company of Kansas City has undertaken the liquidation of the concern and for several days depositors have been invited to leave their pass-books with the Commerce Trust Company to be certified. Those deposits that have been certified were paid 75 per cent of the total and the balance will be paid to each within a short time. Joseph D. Havens, a local capitalist and banker, who headed the syndicate which bought the assets of the American Union Trust Company and turned them over to the Commerce Trust Company for liquidation, is given credit for saving the failed institution from a receivership, in which case the depositors would not have been paid in full. It is believed now that after all debts are paid there will be something left for the stockholders.

A. I. B. Chapter for Topeka

Thus far there is only one chapter of the American Institute of Banking in the state of Kansas and that is located at Wichita. However, the outlook is promising for the formation of a sister chapter at Topeka. On February 3d about fifty young men employed in the Topeka banks met in the Commercial Club rooms in Topeka and considered the advisability of completing a chapter organization. The movement has received the hearty endorsement of the older bankers of the Kansas capital as well as the state banking department.

Group 7, Texas, to Meet

Group 7 of the Texas Bankers Association will hold its meeting in Fort Worth February 22d. Among the features of interest will be the annual address by John H. P. Jones, vice-president of the City National Bank of Childress, chairman of the group; an address on "Co-operation Between the Bankers and

Farmers of Texas Along the Lines of Agricultural and Vocational Education," by Joe Hirsch, vice-president of the Corpus Christi National Bank, Corpus Christi; an address on "The Recent Action of the Department of Insurance and Banking Relative to Overdrafts," by B. L. Gill, state banking and insurance commissioner, and the bankers' question-box. A large attendance is expected at this meeting, which represents one of the most prosperous banking districts in Texas.

Group 6 of the Texas Bankers Association will convene in Brownwood February 20th. The sessions will be held in the Carnegie library and W. D. Crothers, of Brady will be master of ceremonies. M. A. Taylor of the National Stock Yards Bank, East St. Louis, will talk on "Elimination of Overdrafts" and Oscar Wells of the Union National Bank of Houston will discuss "Diversification vs. Overproduction of Cotton." At night a banquet will be held at the Southern hotel.

Oklahoma Group Meetings

W. D. Harrison, secretary of the Oklahoma Bankers Association, has announced the dates and places for the annual meetings of the various groups of the state association as follows: Group 4—Okmulgee, February 19th, for the counties of Adair, Craig, Cherokee, Delaware, Muskogee, Mayes, McIntosh, Nowata, Okmulgee, Ottawa, Rogers, Sequoyah, Tulsa, Washington and Wagoner. Group 5—Ada, February 19th, for the counties of Atoka, Bryan, Coal, Carter, Choctaw, Garvin, Haskell, Johnson, Love, LeFlore, Latimer, Murray, McCurtain, McClain, Marshall, Pittsburgh, Pushmataha and Pontotoc. Group 3—Shawnee, February 21st, for the counties of Cleveland, Creek, Hughes, Kay, Logan, Lincoln, Noble, Osage, Oklahoma, Okfuskee, Pawnee, Payne, Pottawatomie and Seminole. Group 1—Clinton, February 22nd, for the counties of Beckham, Caddo, Custer, Comanche, Greer, Grady, Harmon, Jackson, Jefferson, Kiowa, Roger Mills, Stephens, Tillman, Washita and Swanson. Group 2—Enid, February 23d, for the counties of Alfalfa, Blaine, Beaver, Canadian, Cimmaron, Dewey, Ellis, Garfield, Grant, Harper, Kingfisher, Major, Texas Woods and Woodward.

Central West Notes

The Fort Worth (Texas) Clearing House Association has adopted a rule prohibiting overdrafts in the future. Heretofore it has been the custom for the banks to accommodate customers in this respect.

Eli Mullinax, who has lived in Mercer county, Mo., since 1855 and organized the first bank in that part of the state, died last week.

A. H. Stout and A. J. Titus of Cherokee, Okla., who were indicted recently on the charge of misapplication of the funds of the First National Bank of Cherokee, which closed its doors more than a year ago were arraigned a few days ago in the federal court and gave bond. Stout was president of the bank and Titus was an employee.

E. L. Meyer, president of the First National Bank of Hutchinson, Kan., has returned after several weeks spent in New York and Boston.

S. W. Burnham, brother of S. H. Burnham of the First National Bank of Lincoln, Neb., and himself prominently identified with the financial life of Lincoln for many years, died the other day.

Frank H. Letson, cashier of the Bank of Enid, Okla., spent several days in Kansas City recently as the guest of his old friend William T. Kemper, president of the Commerce Trust Company.

State Treasurer Sam Sparks, of Texas, is preparing to retire from office April 1st. He

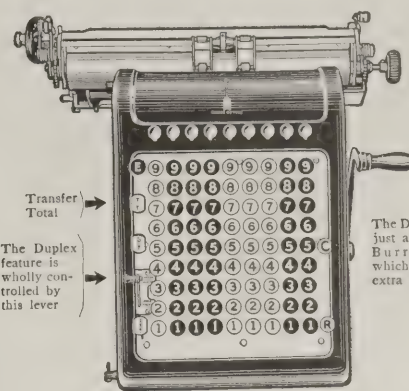
is now organizing the Texas Trust Company of Austin, of which he will be president.

P. S. Hoffman, president of the Union National Bank of Chandler, Okla., and a resident of that city since the opening of the townsite, died last week. He was reputed to be one of the wealthiest men in Oklahoma.

Clay county, Kan., has a bank for every thousand of inhabitants. Recently another bank was added to the list at Broughton, near Clay Center.

The Temple State Bank of Temple, Texas, has increased its capital stock from \$50,000 to \$250,000.

Among the recent visitors in Kansas City's financial district were A. H. Waite, president of the Joplin National Bank of Joplin, Mo., and president of the Missouri State Bankers Association; Mortimer E. Stilwell, president of the Union National Bank of Bartlesville, Okla.; T. U. Coe, vice-president of the Merchants and Planters National Bank of Sherman, Texas; W. S. McLucas, cashier of the Merchants Bank of St. Joseph, Mo.; G. H. Fink, president, and E. N. Fink, cashier of the



Burroughs Duplex Keyboard

New Duplex Check Journal

The Germania National Bank of Milwaukee is using a new thing in Check Journals.

It enables them to separate checks into individual accounts for convenience in posting.

The Germania Bank has given us permission to send out a copy of this Check Journal form to other banks, showing 258 separate checks, representing 90 individual accounts.

Each of these 90 accounts is totaled, so the amount only of each account need be posted. The Duplex (multiple total) Burroughs Adding Machine enables the operator to get individual totals for each account and a grand total of all checks in all accounts for the day at one operation.

Ask for Systems Form No. 459 and we will send you a full-size page from the Germania Bank's Check Journal, without cost or obligation to you.

Duplex Wonders

With the Duplex (multiple total) Burroughs you can:

List yesterday's and today's balances in separate columns with separate totals at one operation.

Prove Daily Mail, getting a total of all the items of each letter and a grand total for all letters, at one operation.

List Balances and Overdrafts, with separate totals, at one operation.

Total one and two name paper, separately, at one operation.

List face of paper and interest accrued, with separate totals, at one operation.

And many other things you could not do on any other machine.

The machine is a regular Burroughs and the other things besides. It can be used for any figure work that any other machine can be used for, in addition to the new wonders it makes possible.

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Farmers State Bank of Edmond, Okla.; D. W. Norton, cashier of the First National Bank of Gaymon, Okla.; W. A. Foyil, president of the Clovis National Bank, Clovis, N. M.; Joseph Dusenberry, cashier of the Farmers National Bank of Ludlow, Mo.; J. W. Becker, cashier of the First State Bank of Indianola, Okla.; J. B. Shelby, president of the Bank of Bates City, Bates City, Mo.; M. L. Turner, president of the Western National Bank of Oklahoma City, Okla.; W. J. Bailey, vice-president of the Exchange National Bank, Atchison, Kan.; H. W. Pippert, assistant cashier of the Bank of Buchanan County, St. Joseph, Mo.; Thad. C. Carver, president of the Peoples National Bank of Pratt, Kan.; E. S. Ellis, vice-president of the Jefferson Trust Company of McAlester, Okla., and A. A. Aitken, vice-president of the Marysville (Kan.) National Bank.

LOCKS UP CASH; BANK BORROWS

Joliet, Ill., February 6.—Because he thought to-day was a holiday a clerk in the Will County National Bank adjusted the time lock to open Wednesday. Therefore the bank had to borrow money to handle its business to-day.

The Security National Bank of Minneapolis

Was Established in 1878

A continuous business experience of thirty-three years has given us a thorough knowledge of the banking needs of the Northwest, thereby enabling us to give your business intelligent and satisfactory attention.

New Trains to ST. LOUIS

VIA THE



NEW ALL-STEEL TRAIN DAYLIGHT SPECIAL

Leaves Chicago 10:02 a. m., arrives St. Louis (via Merchants Bridge) 6:02 p. m. New Indestructible Steel Cars of Handsome Interior Finish. Every comfort and convenience will be found on this train.

NEW EVENING TRAIN ST. LOUIS EXPRESS

Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m. An up-to-date train in every particular, with an early evening departure from Chicago.

New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped throughout, with a late evening departure from Chicago. Stops made in both directions at South Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars, Sleeping Cars. Free Reclining Chair Cars and Coaches.

ALL TRAINS ELECTRIC LIGHTED

TICKETS, FARES AND SLEEPING-CAR RESERVATIONS AT

ILLINOIS CENTRAL

City Ticket Office **76 W. ADAMS ST.** Commercial National Bank Building
R. J. CARMICHAEL, D. P. A. Phone Central 6270

Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Frank E. Holton, retiring cashier of the Northwestern National, is now carrying a gold watch presented by President E. W. Decker on behalf of his associates, at a dinner in the Commercial Club. S. H. Plummer, new assistant cashier, was toastmaster, and for the first time the whole force was present at a gathering, some two hundred persons. The affair may be made annual without the watch. A full line of officers and directors was present and the mental menu was as follows: E. W. Decker, "Two Things a Young Banker Ought to Remember"; D. E. Loomis, "A Busy Man"; Miss Claudine Chase, "Women"; L. V. Rose, "Transit Department"; Lester T. Banks, "Reading"; R. R. Clark, "Collections"; R. T. Swanson, "Discounts"; Alex Bore, "Collateral"; H. J. Riley, "Cash Reserve"; H. C. Libby, "Auditing"; J. C. Thomson, "The Analysis Department"; A. V. Gardner, "The Fool's Chance"; Joseph Chapman, Jr., "A Few Remarks."

Accepted Deposits When Bank Was Insolvent

H. J. Schwarz of Royalton, Minn., has been found guilty of accepting deposits when cashier of the state bank when he knew the institution was insolvent. Under a new law the crime is a felony punishable by indeterminate sentence. The bank was closed August 3d. The specific charge was accepting on August 2d a deposit of \$50. Testimony went to show that two relatives of Mr. Schwarz had a total of \$1,760 on deposit August 2d, evidently believing the bank safe.

Appoint Committee on Financial Legislation

North Dakota bankers have appointed a committee on financial legislation which will report at the state convention in June at Jamestown. The executive committee in session at Grand Forks appointed M. F. Murphy of Grand Forks, Messrs. Dodge, Cathro and Weiser. The bankers object to the Aldrich currency plan division, which would place North Dakota apart from Minnesota and put Omaha in as financial center. The capitaliza-

tion provision, they say, would bar many North Dakota banks from participation in benefits that might accrue from operations of the act.

Will Loan Farmers at Low Rate

The State Bank of Akeley, Minn., has promised to loan farmers tributary to the city \$4,000 at a low rate provided they will bring in good milk cows to the territory. The Commercial Club has arranged for a farmers' institute and especial attention will be paid to the cow and creamery question. A new creamery will open in the spring.

Teller Beats Bank Robber in Fight

C. Oscar Ness was a psychological hero in a hold-up affray in Minneapolis. He licked the thug. Ness is teller at the Hennepin County Savings Bank. He is so accustomed to give up money only when he gets something to show for it, that when the highwayman presented nothing but a 38-caliber revolver he refused the bills and seventy-six cents in change on his person, and instead, tried to get the gun. The two rolled around in the snow and when the hold-up man ran Ness was too exhausted to follow. When accosted Ness struck the man with one hand and his revolver wrist with the other. The clerks at the Hennepin County Savings have no special anti-burglar or protective training. Ness' clothes were torn also.

Discharged Gun Only an Accident

Wearing a revolver into a bank cage nearly resulted disastrously to clerks at the St. Paul First National and a general display of firearms by tellers and other officials. Three express company clerks were in a special cage. The man carrying the revolver that exploded was the last to squeeze in and the hammer of the weapon caught on the wire grating and slipping back set off the cartridge. Many brave thoughts flitted through the bank clerks' minds, but the incident was too trivial to call for Carnegie recognition.

Hayward, of Mandan, North Dakota, in Minneapolis

Thomas E. Hayward, Mandan, N. D., at the Northwestern National, studying big bank methods, himself associated with eight string banks west of the Missouri in North Dakota, says things in North Dakota are in good shape with abundant fall rains, moisture conserved by early freezing of the ground, followed by lots of snow.

Lauds Murray

Owen T. Reeves, new national bank examiner for the district, has arrived in Minneapolis, now under the jurisdiction of one banker instead of two. Said Mr. Reeves: "I can only say that under Lawrence O. Murray the efficiency test is the only one that gets a man a place as an examiner. Politics have been eliminated. It is essential that an applicant have had experience in a bank and moreover, after appointment, he has to undergo a severe examination in Washington before being confirmed."

Havill On Trial

O. H. Havill, president of the bank of Bow-lus, charged with accepting deposits on August 4th when the bank was insolvent, is now on trial. Mr. Havill formerly lived at St. Cloud and is now a resident of Minneapolis. Notes of Schwartz and two brothers are involved in the estimate of the assets.

St. Paul Postal Savings

Deposits of the St. Paul postal savings bank in January were \$70,814, a total of \$347,809 since the bank opened September 1st. Withdrawals in January were \$15,738.

First State of Windom

The First State of Windom, Minn., is now occupying its new \$40,000 home on the site of a building burned a year ago. The building is 30 by 74 feet, fireproof throughout. The exterior is of Belgian stone and the interior re-

Increased Deposits with Publicity—With Little Cost!

Your Bank the Bank of the Community

"The Christmas Savings Club Plan"

☐ A positive means of increasing your **Deposits**; cultivating the systematic **Banking Habit**. Interests the community in your **Bank**. \$135,000.00 saved in the initial year in one community by using our "**Christmas Savings Club Plan**." Inexpensive, all efficient, and with profit. We sell but one live **Bank** in a community. Absolutely no solicitors required.

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HARRY HERTZLER,
President, Carlisle Trust Company.

HARRY D. JONES,
Cashier, Pennsylvania State Treasury Department.
MERKEL LANDIS,
Treasurer, Carlisle Trust Company.
GEO. O. MOTTER,
Cashier, Peoples' National Bank.

inforced concrete. The interior finish is Italian marble, and the grill is steel.

New Bank for Red Wing

The Security Loan and Trust Company of Red Wing, Minn., is a new institution with \$50,000 capital. Incorporators are: O. M. Hall, E. S. Hoyt, W. H. Putnam, Axel Haller, W. H. Grow, R. W. Putnam.

Grand Forks District Bankers Association Organized

The Grand Forks District Bankers Association was organized of the five northeastern counties. Seventy-five were present from Walsh, Pembina, Cavalier, Nelson and Grand Forks counties. Officers elected are: President, H. N. Johnson; vice-president, C. C. Gowram, Grand Forks; secretary-treasurer, C. W. Ross, Grand Forks; executive council, H. A. Halvorson of Milton, C. H. Simpson of McVille, V. E. Bemis of Inkster, M. H. Sprague of Grafton, A. McDonald of Walhalla.

Banking Notes of Interest

The Henderson State Bank of Washington, S. D., \$25,000 capital, has been placed in the hands of a receiver and it is said depositors will be paid in full.

The Farmers and Merchants State of Strandquist, Minn., has opened.

The Farmers State of Clontarf, Minn., has filed articles. The capital is \$10,000. Incorporators are: William Perrizo, Jr., Delavan; James O'Donnell, Andrew Reardon, Hannah Donovan, Henry Nelson, Hans Mikkelsen, D. F. McDermott, B. J. Perrizo, Clontarf; and John Shimuck of Danvers.

TRUST COMPANY ORGANIZED

Bay City, Texas, February 3.—The Citizens Trust Company has been organized here with a capitalization of \$50,000. This company will do a general trust business without banking privileges, and will take care of those accounts not usually handled by banks or those which are prohibited. Application for charter has been made. The directorate is as follows: J. M. Moore, president; Fred S. Robbins, first vice-president; Judge Thompson, second vice-president; M. Thompson, secretary and treasurer; D. P. Moore, V. L. LeTulle, Albert Wadsworth.

SOUTH DAKOTA BANKER KILLED

Flandreau, S. D.—J. J. Barbour, Jr., a banker of Chester, met with a fatal accident last week. He was having a store building erected and while inspecting some of the work a temporary stairs gave way. He was a large man and his weight made the fall more dangerous. He died within two hours after the accident.

Indiana

Lafayette, Ind.—Word has been received here that the Citizens National Bank of Tipton, Ind., will conduct a corn contest during 1912 season, open to farmers of that county. They will be aided in carrying on the contest by the Purdue University agricultural extension department, which will give any information desired regarding the best methods of producing "prize-winning ears."

The Citizens National will offer three prizes for the best corn and largest number of bushels grown on one acre, the final scoring to be made by experts, and the plots submitted to the closest examination, so that the awards may be fair in every particular. The prizes will aggregate \$50.

For the first three months of the current state fiscal year, beginning October 1st, the bank department in the office of the auditor of state earned in fees and allowances for expenses \$1,212.60 more than the cost of department operation, according to figures compiled by Harry L. Arnold, clerk in charge. For the three months the total fees and allowances for expenses, paid by banks examined, amounted to \$2,152.

The department began to be self-supporting last March, when the new bank examination law, proposed by W. H. O'Brien, auditor of state, became operative. Under the former law the maximum charge for examining a bank or trust company was \$35. Under the new law the fee for an institution of \$1,000,000 assets is \$35, with provision for additional fee where the assets are more than a million. Under the former law the department got no more for examining a trust company with \$10,000,-

000 assets than for one with only \$1,000,000 assets. The increased earnings of the department are due to the large number of examinations of trust companies in the state with assets of more than a million. Mr. O'Brien expects the law will eventually earn the department \$6,000 a year net. The Indiana bank examinations fees are about 25 per cent lower than the fees charged by the United States treasury department for examination of national banks.

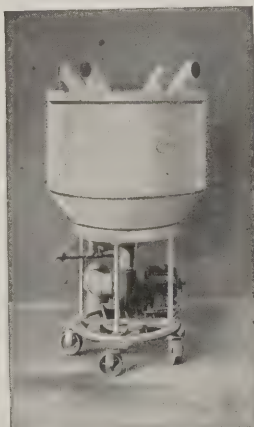
The savings bank at the Indianapolis post-office on Tuesday passed the one-thousand mark in the number of accounts opened with it. Since the bank began doing business, in September, 2,633 deposits have been made. The amount now deposited with the bank is \$49,678. Charles W. Byfield, who is in charge of the postal bank, expects to receive within a day or two the postal savings bonds which were requested by depositors of the local savings bank and allotted to them by the department. The amount of bonds coming to Indianapolis is \$3,520.

Kokomo, Ind., February 6.—Walter Gardner, of Elwood, who was arrested here November 25th on a charge of cashing at the Howard National Bank a forged check for \$54, has brought two suits for damages against the bank, one for \$10,000 for malicious prosecution and one for \$5,000 for false imprisonment. Gardner was tried in the Howard circuit court in December and acquitted. He brought into the court witnesses who testified that at the time the check was cashed Gardner was on a train en route from Kokomo to Newcastle. The bank teller who cashed the check testified that Gardner was the man to whom he paid the money. Gardner spent two weeks in jail. The affidavit charging him with forgery was filed by detectives employed by the Indiana Bankers Association.

NASHVILLE CLEARINGS

The clearings of Nashville are each week showing a gain over corresponding periods of last year of over 25 per cent. Bankers of the capital city of Tennessee report that money is getting plentiful and both the individuals and the southern banks are increasing their deposits and making good their obligations. The movement of the tobacco crop in the black tobacco belt is also turning money into the banks of Tennessee.

A charter has been issued to the Commercial National Bank of Smithfield, Utah, capital, \$25,000. E. R. Miles, Jr., president; Job Pingree and James Pingree, vice-presidents; G. Y. Smith, cashier; G. E. Miles, assistant cashier.



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Supplied with
Washed Air**
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**Sterling Air Cooler
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Gives the classy atmosphere and dignity necessary to harmonize with the architectural surroundings.

We have designed a self-contained portable air cooler and washer in capacities from 200-2000 C. F. M., mounted on rubber shoe wheels, and of attractive appearance, to allow of operation in the main banking room.

Apparatus shipped complete including fan, motor (10-1.0 H. P.), washing chamber and auxiliaries, ready for operation, you to make service connections only.

Apparatus provided with outlet nozzles to throw air in all directions, thus eliminating duct work, etc.

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129 Carpenter St. 416 Broadway
CHICAGO, ILL. NEW YORK

The Sterling Air Cooler and Purifier

E. W. ANDREWS, President
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**Assets Over
\$16,000,000**

The Seattle National Bank

OF SEATTLE, WASHINGTON

SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

R. V. ANKENY, Cashier
J. FURTH, Chairman Board of Directors

Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

Pacific Northwest Banking News

Spokane, Wash., February 6.—Railroads in the Northwest will have all the traffic they can handle this year, which gives every promise of being the largest grain, hay and fruit season in the history of the country, is the prediction of F. W. Robinson of Portland, general freight agent of the Oregon-Washington Railroad and Navigation Company. It is estimated conservatively, he added, that the apple crop in Washington alone will be between 13,000 and 14,000 cars and that the wheat crop will be the largest ever harvested. There has been ample moisture, the precipitation coming at times when the ground was open, and with mild and clear weather prevailing the farmers will soon begin work in the fields and orchards. There is more diversified agriculture than in former years and the outlook is that mixed farming will be more generally practiced in the districts tributary to cities and towns.

Increase in Winter Wheat Crop

Thirty per cent of the entire grain acreage in Douglas county, Wash., is in winter wheat, or 40 per cent more than a year ago, according to J. G. Kennedy, president of the Douglas county Bank at Waterville. He added: "Many new settlers are coming into our country, although a tendency of heavy owners to acquire more is perhaps retarding this feature of settlement somewhat. However, the land is still selling at from \$30 to \$75 an acre."

Increase in Deposits

P. M. Winans, cashier of the First National Bank of Walla Walla, Wash., says that the deposits in the banks there are \$500,000 greater than a year ago. Though 25 per cent of the 1911 wheat crop is held by farmers, they seem to have an abundance of money. Orchard and intensified farming tracts are undergoing steady development and the street car lines which run out to the suburban districts are rapidly being dotted with substantial homes. There is a noticeable revival of interest in alfalfa farming, and this has directed more attention to live stock and poultry growing.

New Spokane Company Organized

Clark Fork Development Company of Spokane has been organized with a capitalization of \$2,000,000 and Edward Dolan and J. Herbert Anderson of Spokane as the principal incorporators to plant and develop a commercial apple orchard of 18,000 acres at Thompson Falls, Mont. Four thousand acres will be planted this spring. The entire acreage requires 1,260,000 trees. The land is equipped with a complete irrigation plant. The plan of development includes the erection of several houses, an apple packing and storage building and cider mill for using the second grade apples. The high grade fruit will be shipped to Europe, South America and the Orient.

Pierre, S. D.—Harry Quackenbush has been promoted to the position of cashier of the Bank of Commerce.

Seattle

The annual statement of the treasurer of the state of Washington for the year 1911 shows that the total receipts for the year amounted to \$7,974,096.47, and the total disbursements representing warrants and interest during the year were \$7,830,896.72. The cash on hand January 1, 1911, was \$896,251.50, and on January 1, 1912, the cash on hand had reached an aggregate of \$1,129,478.25. Of the disbursements \$1,733,725 represents warrants paid during the year 1911, which were issued in purchase of bonds by the six permanent school funds during the year 1911 and the latter part of 1910.

The Seattle port commission decided last week to submit a \$3,000,000 harbor bond issue to the voters at the March election to provide money to acquire land and build six ocean piers as the initial step in the development of a \$7,500,000 ocean terminal on Harbor Island. The meeting was enlivened by the resignation of Scott C. Calhoun, counsel for the commission, who declared that the commissioners had

repudiated his work when they announced their intention of altering a tentative contract drawn by Calhoun with a New York syndicate that is to operate the terminal.

Seattle's municipal bank commission appointed by Mayor George W. Dilling in accordance with a resolution introduced by Councilman Oliver T. Erickson and adopted by the council has organized for work by the election of Richard Winsor as president and L. O. Schrader as secretary. The other members of the commission are: Mrs. H. P. Fish, George F. Hannan and James A. Haight. At the organization meeting it was decided to ask other municipalities for reports dealing with municipal bank business with a view to determining what these cities do with their idle money and what balances are carried in banks; the question of establishing a municipal bank, in event no state laws conflict, being left for consideration after reports have been received from other cities. Erickson proposes a municipal bank in which city funds shall be deposited. This bank shall buy and sell municipal bonds of every character and be given authority to transfer funds in order to decrease the amount of money on hand, which, in his opinion, only adds to the interest charges against the municipality. Erickson's interest in the establishment of such a department is due, it is said, to the refusal of the Seattle clearing house to endorse the council's plan for the sale of municipal street car bonds to local investors.

The first trial of a case of violation of the postal savings bank law was held in San Francisco recently and Salip Cin Amat, a Malay, was sentenced to one year's imprisonment in the penitentiary for attempting to cash a Seattle certificate of deposit belonging to a Syrian, whose pockets Amat had rifled. Arthur E. Drake, cashier of the postal savings bank of Seattle, was a witness in the case.

A charter has been issued to the Methow Valley State Bank of Pateros. The bank is capitalized at \$10,000. The officers are: C. T. Borg, president; J. W. Swenson, vice-president; O. A. Johnson, cashier.

ORGANIZATION OF NATIONAL BANKS

During the month of January, 1912, twenty-four applications to organize national banks were received. Of the applications pending twelve were approved and two rejected. In the same month sixteen banks, with total capital of \$1,665,000, were authorized to begin business, of which number nine, with capital of \$240,000, had individual capital of less than \$50,000, and seven, with capital of \$1,425,000, individual capital of \$50,000 or over.

The comptroller of the currency has approved that application to convert the Solano County Bank of Suisan, Cal., into "The First National Bank of Suisan," capital, \$100,000.



The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

OFFICERS

D. W. TWOHY, President
T. J. HUMBERT, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

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Guaranteed
Irrigation Bonds.
Guaranteed Water Works Bonds.
Public Service Bonds.
Municipal
Bonds.

There never has
been a day's delay in the
payment of either the principal
or interest on any bond
we have sold.

San Francisco

The January financial letter of the American National Bank of San Francisco quotes some interesting comparisons of bank clearings and building permits for the past three years in the larger cities of California, and says in part:

"In connection with building matters, it is interesting to note that in 1911 new loans and renewals of old loans on real estate were recorded to the amount of \$48,916,430, of which the savings banks and trust companies loaned \$33,478,571, or a little more than 68 per cent of the total sum. Interest rates on mortgage loans were steady at $5\frac{1}{2}$ to 6 per cent. On December 31, 1911, the total savings deposits in the San Francisco banks were \$176,923,000, showing a net gain of about \$9,000,000 for the year. The number of persons having savings accounts in San Francisco is considerably more than one-half of the population. And despite this fact, and the undoubted strength of our savings institutions, the postal savings bank flourishes as in no other city of the country.

"The total deposits of all the banks in San Francisco, including both national and state institutions, at the beginning of this year were about \$377,000,000, which is greater than the combined bank deposits in all the other large cities on the Pacific Coast.

"The past year witnessed an increase in the importance of the port of San Francisco. The vessels entered from and cleared for foreign ports had a total tonnage in 1911 of 1,601,641, as compared with 1,350,961 in 1910. The exports of merchandise to foreign countries reached a total of \$43,427,000, as compared with \$35,773,000 in 1910, while the imports increased about 10 per cent, to \$56,075,000.

"One of the gratifying records of the year was that of gold production, in which California led all the other states, with a total output of \$20,510,987. Colorado held second place, with \$19,153,860, while Nevada was third with \$18,968,578, and Alaska fourth with \$16,002,976. The United States geological survey reports 1,100 producing mines within the state. About 40 per cent of the gold production is the result of dredging operations. Sentiment among the leading bankers and business experts of the country is that the year just begun will not be marked by any unusual revival of business activity. It is admitted that conditions, generally speaking, are sound, and the country is prepared, by reason of conservative mercantile policies adhered to during the past few years, quickly to reflect prosperity when trade becomes really active."

Geo. M. Reynolds, president of the Continental and Commercial National Bank of Chicago, will address the Los Angeles Chamber of Commerce at their annual banquet February 22d.

A study of the progress figures for 1911 clearly indicates the satisfactory condition of affairs in California. Bank clearings for 1911 recorded in five of California's leading cities

are as follows: San Francisco, \$2,427,075,000; Los Angeles, \$942,906,000; Oakland, \$172,666,000; San Diego, \$88,127,000; and Sacramento, \$78,376,000—in all cases an increase over the clearings of 1910.

The Anglo and London Paris National Bank says: The January bank statements showed the year 1911 to have been one of general but moderate prosperity to California banks. Their conservative financial policy has doubtless prevented costly development work too much in advance of public requirements. The state is having a healthy growth not likely to be checked by any collapse of speculation. The feeling that the beginning of large expenditures in preparation for the exposition and opening of the canal is stimulating activity in all lines of enterprise in this city. There is hope of such a settlement of our disagreements with local public service corporations as will permit our growth to proceed on normal lines.

In spite of the continued ease of the New York money market the hesitancy in taking up new share capital, or even bonds at rates satisfactory to borrowers, is shown by the very large issue—over \$310,000,000 in 1911—of short term corporate notes to tide over immediate corporate requirements. Most of the new share and bond capital obtained was by a very few of the strongest public service corporations and industrials. During 1911 Europe was able to use a large part of our accumulations at very profitable rates but the appearance of easier conditions there leads to the hope of a more satisfactory market for American securities which would promptly bring out large offerings of new issues.

Silver advanced sharply during January, reaching the highest price attained since November, 1907. Business in India is improving and the coming season promises well. Chinese banks are under pressure to provide for withdrawals of cash resulting from political conditions, and are importing bar silver to replenish reserves. Heavy reductions in the stock of coined rupees in the Indian currency is another factor in raising the price of silver. Operators taking advantage of the situation are holding for advances and although the market position has greatly improved it is still dominated by speculative interests as clearly indicated by the heavy premium exacted for ready delivery silver.

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FOR SALE—About 40 feet marble fixtures, practically new. Low price. Quick delivery. Can be changed to suit. See sample in this office. Send diagram of your room. For particulars address or call

CHICAGO BANKER OFFICE
407 Monadnock Block CHICAGO

Pittsburgh

The attainment of its sixtieth year by the First National of Pittsburgh is a notable event in local financial history. This institution is the oldest national bank in the western portion of Pennsylvania, and one of the oldest in the United States, for it received the comptroller's authorization to begin business on August 8, 1863, its charter number being 48. Its origin dates much farther back than the Civil War, however, for it was established on January 28, 1852, as a state banking institution. For practically all of the sixty years of its existence it has occupied its present site, or a part of it, at the corner of Fifth Avenue and Wood Street. It is a fitting celebration that the skyscraper now being erected should be completed soon after the bank's sixtieth birthday. This building, which will be twenty-six stories in height, is going up in record time, and will be ready for occupancy on April 1st. The bank has a capital of \$1,000,000, and surplus and profits of \$1,073,403.98. The active officers are: Oscar L. Telling, president; F. H. Richard, cashier; T. C. Griggs, W. F. Benkiser, and R. C. Masten, assistant cashier; J. E. Rovensky, manager, and W. J. Frank, assistant manager of the foreign department.

Pittsburgh bank clearings for the month of January made a good showing. The total was \$223,050,184, as compared with \$217,044,701 in the corresponding month last year, \$226,457,891 in 1910 and \$180,837,380 in 1909. In only three years, 1910, 1907 and 1906, have January clearings exceeded those for the month just ended.

The annual meeting and dinner of Group 8. Pennsylvania Bankers Association, will be held at the Hotel Schenley on the evening of February 21st. The arrangements will be completed in a short time.

Stevenson E. Ward, formerly cashier of the Bank of Mansfield, O., has been appointed an assistant cashier of the National Bank of Commerce, New York.

LARGE STATE DEPOSITS

According to the comparison of the accounts of the state treasurer and those of the state comptroller made by the state board of control, California has \$8,071,840 on deposit in the various banks of the state. This money has been loaned out under the provision of the state law and is drawing from 2 per cent to $2\frac{1}{2}$ per cent interest. The state is earning \$13,500 per month upon these loans.

\$50,000 SHORTAGE IN CALIFORNIA BANK

Pomona, Cal.—Announcement was made on Tuesday morning that a shortage of at least \$50,000 had been discovered in the accounts of Earl Stanard, head bookkeeper of the American National Bank here. Stanard with his wife left the city some days ago.

JOHN McHUGH - President
JOHN J. LARGE - V.-Pres.
W. L. MONTGOMERY, V.-Pres.
HENRY G. WEARE - V.-Pres.
F. A. McCORNACK - V.-Pres.
H. A. GOOCH - Cashier
O. D. PETTIT - Asst. Cashier
FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIoux CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
BUSINESS AND OFFER
YOU EXCEPTIONAL
FACILITIES. CORRE-
SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
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W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
Collections and Bank Accounts

Largest Bank in Clinton
County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITORY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VECHTEN, President
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SHOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Des Moines, Feb. 7.—The campaign for encouragement of Iowa bankers in improvement of agricultural conditions in Iowa has started in earnest with Secretary P. W. Hall of the Iowa Bankers Association at the helm. Mr. Hall is this week sending out cards to every bank belonging to the association. The cards read "Test Your Seed Corn." Each banker is supposed to give the cards prominent location. Other cards will be sent and literature designed to make a greater Iowa is in contemplation by Secretary Hall. President E. J. Curtin of Decorah always has been a great booster for better agricultural methods and he is joining in the movement with all his influence. Iowa has always been a steady, stable state and it is difficult to make the people realize that millions could be added to the wealth of the grand old state if the farmers would cultivate improved farming methods and if there was more intensified farming and less waste.

Mechanics Savings to Have New Building

G. E. MacKinnon, president of the Mechanics Savings, announces that plans for the new home for the institution have been completed and that work will begin at the earliest date possible. The new bank will be across the street from the new structure which the Central State is building. The Mechanics bank will be for banking purposes exclusively, white terra cotta front, two stories high, thoroughly modern and well lighted. While it has been planned to erect it on leased ground it is understood that the Mechanics Building Company has taken an option on the land and will buy it. The land in question is just north of the Manhattan block in which the Mechanics has been located since it was organized by Mr. MacKinnon some years ago.

Postoffice Deposits Growing

The postoffice bank at Des Moines seems to be growing. It is now announced that the deposits total \$20,000. The monthly deposits will total \$10,000 with withdrawals between \$3,000 and \$4,000 monthly. A study of the depositors shows many small amounts and an increased interest in the institution on the part of foreigners.

Bank Robbers Serving Sentence

Two bank robbers were retired from circulation at Chariton last week when "Jimmy" Burns and "Baltimore Fat" Wilson were found guilty of burglary and arson. These are two of the five men arrested for complicity in the robbery of the Derby State at Derby in which \$4,800 was secured and the bank set afire. Theola Schnorkis, the third of the men to be put on trial, was acquitted. There are two other men awaiting trial for the same offense. The Derby bank was robbed the night of November 24th. Burns, Wilson and Schnorkis were arrested at Omaha. Gust Patek, Iowa representative of the W. J. Burns

detective agency, which is now in charge of the protective work for the Iowa Bankers Association, made the arrests. The bank carried burglary insurance and lost nothing by the robbery. The United States Fidelity and Guaranty recovered \$800 of the amount taken and it is said that a portion of the loot is in a safety deposit vault in an Omaha bank.

Contest for School Treasurer

It looks as if Des Moines will see a pretty contest for the office of school treasurer at the coming school election in March. There are at present two candidates: John Hogan, present incumbent and cashier of the German Savings, and W. E. Barrett, cashier of the Valley National. Mr. Barrett announces that he is running on a "no salary" platform, meaning that he will take the job for nothing, whereas Mr. Hogan has received \$1,200 annually. Both candidates announce a continuation of the policy of putting the school funds out at interest on the daily balances. Mr. Hogan has been putting this money out among a dozen or so banks and it is anticipated that they will unite to support him. In that case, it is quite likely to be Barrett against the field. The race will be pretty.

Gain in Clearings

January came to the front with a big gain in Des Moines bank clearings as compared with the clearings for January last year. The total, January, 1912, was \$18,191,475.74, while for January, 1911, the total was \$15,944,935.51. The gain is \$2,246,476.14. The last week in the month showed a gain of \$742,671 as compared with the closing week last year.

Greek Forger Wanted

Peter Georgis, the Greek arrested in Denver and wanted at Mason City for passing a \$65 forged check on the First National, proves to be a bad actor. According to news which reached Secretary Hall of the I. B. A., Georgis made a daring effort to escape from the court room at Denver and was shot and wounded. Secretary Hall has also learned that Georgis is badly wanted at other cities, especially in the East. The sheriff from Cerro Gordo county, Iowa, has twice been to Denver to get Georgis but has returned both times without him.

Supposed Bank Robber Freed

A man named Bowman, arrested some months ago suspected of complicity in the robbery of the Bank of Carlyle in December, 1909, has been released. An ex-bank robber testified before the grand jury in the case and caused the indictment of Bowman. Later he refused to come to Iowa to testify at the trial and the authorities gave up the prosecution. Bowman was arrested in Minneapolis.

Another Tax Decision

Another Tax decision has been handed down by the state department of justice in-

Buda, Ill.—The Citizens State Bank is being organized with a capital of \$25,000. Fred B. Van Petten, Stephen H. Foster, Earle E. Geeseman and L. C. Stutzman are interested.

volving the soldiers tax exemption of \$1,200 which the last legislature provided. It is held that this exemption applies to all classes of property and must be made pro rata. Under the new law moneys and credit, real estate and bank stock are assessed differently. For that reason, old soldiers cannot deduct the \$1,200 from any of these, but the assessor may pro rate it so that each fund will bear a portion of the deduction.

Penny Savings in Cedar Rapids

Much interest has been developed in Cedar Rapids over the proposed penny savings system which has been adopted in the schools there upon the recommendation of John Burianek, Jr., of the Peoples Savings. The system is practically the same as that which Des Moines has been carrying out with success for several years. Recently the schools at Clinton made a report which shows that it is likewise giving entire satisfaction there.

Would Solve Bank Robbery

Y. W. Walker has promised to solve the Hazelton bank robbery of some years ago if the Iowa Bankers Association will give him \$200 or \$500 if the parties are convicted. He says in a letter to Secretary Hall that the guilty parties are in the penitentiary now and that he knows who they are and how to force them to divulge sufficient evidence to result in conviction. Mr. Hall has not yet accepted the offer.

Send Soiled Bills to Washington

The German Savings at Davenport last week sent \$123,000 in soiled and mutilated currency back to Washington and asked new money in its place. The officers of the bank aver that the institution leads the Middle West in amount of such money forwarded to Washington. Since a couple of Iowa bank employees have been seriously poisoned from handling dirty money there is a general disposition to get rid of it.

Contests On Adding Machine

The clerks in the Iowa National at Des Moines have inaugurated a series of contests that might prove interesting elsewhere. The prize goes to the clerk who can make the best time in totaling checks worth \$100,000 on an adding machine. Of course there must be no mistakes. Just as an idea of how they go, there are the records for a recent contest: Lyle C. Bradley, 2.51; Floyd C. Bell, 3.05; C. H. Craig, 3.08; J. F. Hart, 4.22; L. M. Myers, 4.54; Frank Kohlhaas, 5.46; Earl Wilson, 7.37. If any bank clerks can beat this the Iowa National boys would like to know it.

Manchester Bank Merger

A bank merger is announced at Manchester, where the State Savings and the recently organized Merchants and Farmers will be made into one with a capital stock of \$100,000. L. Matthews, who for many years has been president of the State Savings, retires, although retaining his interest. His successor will be chosen later. F. E. Dutton, formerly cashier of the First National, and W. W. Matthews, cashier of the State Savings, will be cashier and assistant cashier.

Banking Notes

Over five hundred Iowa banks have signed up with the F. E. Davenport Company, the new time lock experts secured by the I. B. A. The firm is located at Omaha and has been in charge of the Iowa field since November.

Lee Stevens, president of the Century Savings of Des Moines, has returned from a trip to Chicago. He saw John Large of Sioux City and C. H. McNider of Mason City while in the Middle West metropolis.

E. J. Curtin, president of the Iowa Bankers Association, is back at Decorah after a

business trip to North Dakota, where he is interested in several banking institutions.

The Bank of Gilman at Gilman was damaged in a fire in the business section of that city.

The city councils of Des Moines and Cedar Rapids have adopted the resolution sent out by Cleveland, Ohio, requesting the Iowa representatives at Washington to use their influence to secure the coinage of a three-cent piece.

The comptroller of the currency has granted a charter for the Peoples National at Perry. The capital stock is \$50,000. John P. O'Malley is president; J. C. O'Malley, vice-president; E. D. Carter, cashier. President O'Malley has announced himself a candidate for congress on the democratic ticket in the seventh Iowa district.

The First National at Wyoming has had its corporate existence extended to January 27, 1932.

The West Bend Savings announces a new structure this spring.

Postal savings banks will be installed February 24th at Clarksville, Lakeview, Mitchellville, Rockwell and Whiting.

Earl Webb, formerly of Creston, has been made cashier of the First National at Brandon, Ore., according to word which has reached friends in Iowa. He started as bookkeeper a few months ago.

The Des Moines Bankers Club varied the program at the January monthly meeting by dispensing with a formal program and discussing the currency reserve question. Thirty members attended.

J. K. Deming of the Second National, Dubuque, has been put in charge of handling the funds for the Chinese sufferers, representing the Iowa Red Cross.

The First National at Algona has let the contract for its new two-story brick and stone building. The building will have concrete foundation and will be practically fireproof.

The new bank at Anthon was destroyed by fire with a loss of \$11,000. It had been built but a short time and was not insured.

The Arthur Savings will erect a new two-story brick bank building.

George Richter of the Capital City State, Des Moines, has been chosen secretary of the Capital Advertising Club, an organization of East Des Moines business men formed to boost that section of the city.

The German American Savings at Burlington has filed amendments to its articles of incorporation making the capital stock now \$150,000.

The Arthur Savings has increased its capital stock from \$25,000 to \$30,000.

George E. King, one of the best known Des Moines capitalists and interested in one or two of the city banks, died last week, leaving an estate of approximately a million.

The Iowa National of Des Moines has again shown a philanthropic spirit by offering to advance the city \$50,000 with which the council may erect a market house and repay the loan on easy terms.

Ben F. Williamson, assistant cashier of the Hopkinton State at Hopkinton, died last week from ulceration on the intestines.

E. A. Kohrs has been chosen cashier of the First National at Burlington.

The Citizens State at Corydon will be converted into the First National of Corydon.

Among out of the city bankers in Des

Moines recently were: President William Buxton, Citizens of Carlyle; Cashier W. T. Stanley, Indianola Banking Company; Vice-President H. B. Alfrey, First National, Newton; Vice-President Frank Hopkins, First National, Guthrie Center; Cashier J. M. Olmstead, State of Woodstock; President S. F. Needham, Lake View State; President J. G. Dutton, Farmers of Nevada; President J. M. Sproul, Iowa State, Waterloo; Assistant Cashier Jay Forbes, State at Fremont; President J. H. Roberts, Boxholm; Assistant Cashier J. E. Pierce, Grand River; Cashier T. D. Ball, Iowa State Savings, Creston; Cashier Ralph Clark, Corn Exchange, Elkhart; President J. V. Casady, Norwalk Farmers Savings; President J. A. Brown, State Savings, Chariton; Cashier L. C. Sutherland, First National, Buffalo Center; Assistant Cashier W. M. Burnside, Boone National; Cashier Clarence Dunn, Vanmeter State; Cashier H. R. Long, First National, Hubbard; Vice-President Frank Culbertson, Citizens State, Panora.

Sioux City

By JOHN I. BIDDISON

A big wave in the financial circles of South Dakota was caused by the announcement this week that the American National Bank had been purchased by and consolidated with the Sioux Falls Savings Bank, one of the oldest established institutions of its kind in the state. All the business of the former institution has been transferred to the books of the purchaser. As a result of the merger, the capital of the savings bank has increased to \$200,000, and the combined deposits will aggregate about \$1,700,000, according to the statement of an authority. The business will be transacted in the banking house of the savings bank. The concern that goes out of existence was established in 1907 as the American State Bank, and had a phenomenal growth and prosperity. In 1909 it was nationalized, maintaining its record of increasing business. Its president was E. G. Kennedy and its cashier, Wm. Ontjes. The other directors were: James D. Elliott, Alfred E. Bowring, S. D. Wadsworth, Andrew Ontjes and Wm. G. Porter. The combination makes one of the strongest, if not the strongest single bank in South Dakota.

Holdings of Frank S. Barnes

The report of the appraisers of the assets of Frank S. Barnes, the Marcus, Iowa, banker, places a valuation on his holdings of \$80,856.15, as compared with \$310,000, the amount he gave in when listing his assets in the federal court, to avoid being thrown into bankruptcy. The board of appraisers was composed of the following citizens of Marcus: T. R. Fenton, Jas. Collins, and Wm. M. White. The appraisers list the Iowa properties and the Illinois properties separately. The former amount to \$120,076.15, from which are to be deducted the homestead exemption, personal property, and stocks held as collateral by secured creditors. These amount to \$46,920, leaving net assets in this state of \$73,156.15. The Illinois property amounts to \$17,700, subject to a \$10,000 mortgage.

Sioux City Postal Savings

Patrons of the Sioux City postal savings bank in the month of January deposited the enormous total of \$2,685, which is hailed as a healthy sign of development, since it is \$600 more than the December business. Since the establishment on October 7th, certificates of deposit have been issued to the amount of \$10,363.

Banking News Notes

Herman Schilling is a much much wanted in the dandy little burg of Aberdeen, for he

got several of them—schillings—that belonged to Aberdeen banks, according to reports. Officers are looking for him with warrants charging several cases of forgery. The amounts are small. He is a young man of 25 years.

Bank clearings for the month of January amounted to \$10,631,314.32.

It is estimated that depositors in the failed Wessington, S. D., Henderson State Bank will get the full amount of their deposits but that stockholders will lose about 40 per cent on their investments. The bank was capitalized for \$25,000.

Mrs. L. S. Swezey, of Vermillion, S. D., wife of the president of the Vermillion National Bank, died last Wednesday at Ardmore, Okla., at the home of her daughter, Mrs. R. A. Fox. The burial was in Vermillion.

F. W. Kemp has arrived in Sioux City from Manning, Ia., to take up his duties as secretary of the Bennett Loan and Trust Company.

The First National Bank of White Owl, S. D., is some farmer. It has 1,700 acres of land in one patch under fence and will stock it with two-year-old steers next spring, and make a little money without clipping bonds or taking discounts.

Among the Visiting Bankers

A. M. Shaw, cashier of the Delmont (S. D.) State Bank, was in Sioux City Wednesday on his way East.

John C. Clary, president of the Commercial Bank of Hornick, Iowa, was in Sioux City on business Thursday.

E. J. Curtin, president of the Citizens Savings Bank, Decorah, Iowa, and president of the Iowa Bankers Association, was in Sioux City Thursday attending a meeting of representatives of the fair associations of Minnesota, South Dakota, Nebraska, Iowa, and the Interstate Fair of Sioux City. Mr. Curtin is a director in the Iowa State Fair and superintendent of the speed department.

A. W. Ewert, president of the National Bank of Commerce, Pierre, S. D., transacted in Sioux City Saturday.

Ellis D. Robb, national bank examiner for northern Iowa, was in Sioux City a few hours Saturday.

F. L. Sutter, cashier of the Iowa Savings Bank, Rock Rapids, Iowa, was in Sioux City this week attending the H. G. McMillan & Sons' thoroughbred horse sale.

R. W. Ley, cashier of the State Bank of Wayne, Neb., was in a Sioux City Tuesday.

J. H. Tentinger, cashier of the German Savings Bank, LeMars, Iowa, was in Sioux City on business Tuesday.

INCREASED EARNINGS

The Nashville Railway and Light Company of Nashville has shown remarkable growth under a comparison of its annual earnings for the past seven years. In 1904 the earnings amounted to \$1,010,081. Last year the earnings were \$1,963,783. The stocks of the company have had corresponding increases in value.

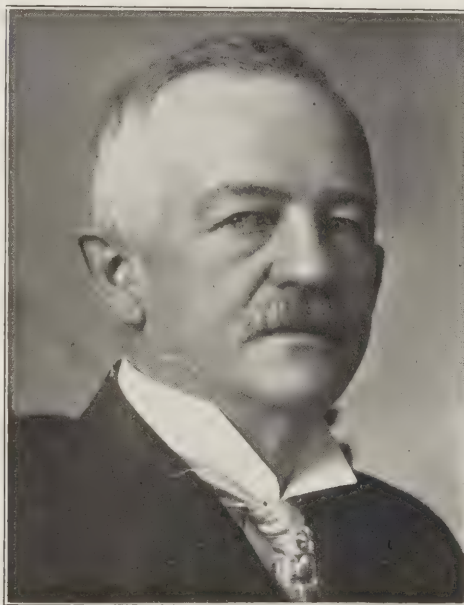
Farmers State of Clontarf, Minn., has filed its articles of incorporation. William Perrizo, Jr., Delavan, James O'Donnell, Andrew Reardon, Hannah Donovan, Henry Nelson, Hans Mikkelsen, D. F. McDermott, Bruno J. Perrizo, all of Clontarf, and John Shimuck, of Danvers, are the incorporators. The capital stock is \$10,000; its highest indebtedness \$200,000.

NEW CASTLE TRUST COMPANY MERGER

Philadelphia.—At a meeting of directors of the two institutions it was decided to merge the New Castle branch of the National Bank of Wilmington and Brandywine with the New Castle Trust Company. The consolidation makes one of the strongest banks in the state of Delaware. It will be known as the New Castle Trust Company.

Walter B. Richie

At the last annual meeting of the board of directors of the First National Bank, Lima, Ohio, Hon. Walter B. Richie was elected president of the bank. Mr. Richie is well known to Ohio people as one of the leading lawyers of northern Ohio, and is largely interested in steam and interurban railway develop-



WALTER B. RICHIE
President First National, Lima, Ohio

ment. Mr. Richie has taken an active part in fraternal work, and for two years was Supreme Chancellor, Supreme Lodge, Knights of Pythias. He enjoys a splendid national acquaintance.

The First National has deposits of about one million, and is one of the old and well established banks of Ohio.

PAYS DEBT TO OLD DEPOSITORS

Providence, R. I., February 7.—With the payment on Monday of \$1,750,000, in redeeming the final 10 per cent contingent certificates, the Union Trust Company, which suspended during the panic of 1907, completely liquidated its indebtedness to its old depositors. Since the reorganization of the company and the reopening of the institution, payments to the former depositors have been made at intervals and when the holders of the certificates presented them for redemption they received every cent they had in the bank when it closed. The only obligations which now remain from the financial difficulties of 1907 are the deferred certificates held by the old stockholders, representing about \$500,000, and these will be retired at par as soon as the directors believe the bank is in a position to do so.

Seymour G. Bronson, a former banker and once mayor of Rockford, Ill., where he passed the greater part of his life, died at Fort Plain, N. Y., at the age of 85 years.

WHAT BANK COMMISSIONERS SAY OF STATE SUPERVISION

(Continued from page 9)

compelled to make complete reports to the comptroller, in such form as he may prescribe.

It is not absolutely necessary to incorporate in order to do a banking business in the state of Florida; but unincorporated banks are not permitted to use the word "bank," or any other title which may imply the same thing or function, nor are they permitted to use a title which may imply that the bank is incorporated. All such names, if they were in use at the time the new banking law went into effect, must have after them in prominent letters, the words "not incorporated." These letters must be as plain and conspicuous as the others used. The fine for an infringement of this provision is \$50 per day. All banks, bankers and private firms must have a license, which can be revoked and the bank promptly closed for any failure to conform to the state regulation. Thus far the new law has been effective in putting all forms of banking under state supervision. There is a provision in the law for the appointment of receivers and the liquidation of banks. There was very little contest over the adoption of this new law, which is now recognized by both friends and opponents as one of the best banking laws the state ever has had.

State Supervision in New York

Following is a letter received from William Sohmer, state comptroller of New York, in whose office there has been established a private banking bureau under the direction of Ralph Delli Paoli, commissioner. The supervision of private banks in the state was put directly in charge of the state comptroller along with private detectives rather than under the supervision of the state banking commissioner, who has supervision over state banks and trust companies. Mr. Sohmer's letter is as follows:

"I have your favor of January 31st, requesting certain information in regard to the private banking law of this state, and in response to your various inquiries contained therein take pleasure in enclosing herewith copy of chapter 348 of the laws of 1910, as amended by chapter 393 of the laws of 1911, relating to the licensing and examination of private bankers, and would direct your especial attention to section 25 (licensing provisions), section 26 (books to be kept and reports to be filed, etc.), and section 29-e (examination by comptroller, penalty for interference therewith, proceedings by attorney-general, etc.).

Also, we are enclosing copy of section 22 of the general corporation law as amended by chapter 771 of the laws of 1911, prohibiting the exercise of banking powers by certain corporations, together with copy of chapter 349 of the laws of 1910, as amended by chapter 578 of the laws of 1911 and relating to the licensing of steamship ticket agents.

Also, we are mailing you, under separate cover, copy of the last annual report of the comptroller, on page xxxiii of which you will find the last report of the private banking bureau of this department, setting forth in some detail the history and scope of the Sullivan private banking bill, showing what has been done under this act up to the present time towards regulating the business of private banking in this state, the principal difficulties confronted by the comptroller in the enforcement of the provisions of the act, etc., etc."

The references which Mr. Sohmer makes in his letter include quite enough for a separate and distinct article, which may appear next week. The points made, however, in the sections and chapters mentioned are briefly these:

Chapter 348 is a new private banking act

containing amendments to chapter 393, which became effective June 21, 1911. With certain exceptions, section 25 of this chapter provides that "no individual or partnership shall hereafter engage directly or indirectly" in the business of banking before receiving a license from the state comptroller. The language of the New York statute is practically the same as that of Pennsylvania, Florida, Alabama and other states referred to above. It provides examinations and names penalties for refusing to submit thereto, and for making false statements or not exhibiting a license in the place of business.

The New York statute makes the same exceptions in favor of railroad companies, hotel keepers and others who handle money in a certain way, but do not do a banking business. It also excepts private banking houses in cities of more than a million inhabitants (which means New York City), upon their filing a satisfactory bond for \$100,000; in Buffalo and Rochester the bond is \$50,000. This exception was made to permit such houses as J. P. Morgan & Co., Kuhn, Loeb & Co., and others to continue their present businesses without examination by the state comptroller. Individuals expecting to open private banks hereafter will come under the complete supervisory powers of the state comptroller. Later acts were passed by the New York legislature licensing steamship ticket agencies, which practically were put out of business by the banking act. An amendment also was passed to prohibit corporations, both domestic and foreign, from conducting a banking business in the state of New York, except as permitted by such laws, and under the direct supervision of the state. This act has the effect of preventing banks from opening in New York under Delaware or Arizona charters, and prevents foreign branch banks from operating without supervision. The effect of all these various laws and amendments in New York state has been to bring private banking under direct control of the state. The law provides that four reports per year, showing the relation between assets and liabilities, and verified under oath, shall be made. It also provides for examinations, and is very similar to the laws of other states, and in fact, has been copied by many of the other states.

Risk Too Great for Any State

Chicago Tribune continues to give valiant support to the state-wide bank supervision movement in Illinois. Also it continues to hear from papers all the way from Duluth to Oklahoma City, urging it on in the good work. Following is an editorial from the Saturday last issue, one of the strongest of the series:

Responsible Banking

Apurpose of the private bank situation in Illinois, an Indiana reader of the Tribune writes to inclose an editorial comment thereon from the Oklahoma City Times. The editorial is rightly condemnatory of the Illinois situation, and the condemnation is not the less effective that it comes from a state which conservative Illinoisans think of as radical if not heretical in such matters.

Writing of the unregulated private bank, our correspondent says: "The trouble seems to come when the men of sterling character who built up the business become old and infirm. When responsible duties are delegated to new hands a possible element of doubt and weakness is introduced. For this reason alone the state should keep a firm oversight on all banking institutions."

There can be no question of this position, and it is to be hoped the next legislature will bring all our banks under supervision. Illinois has too long occupied an undesirable iso-

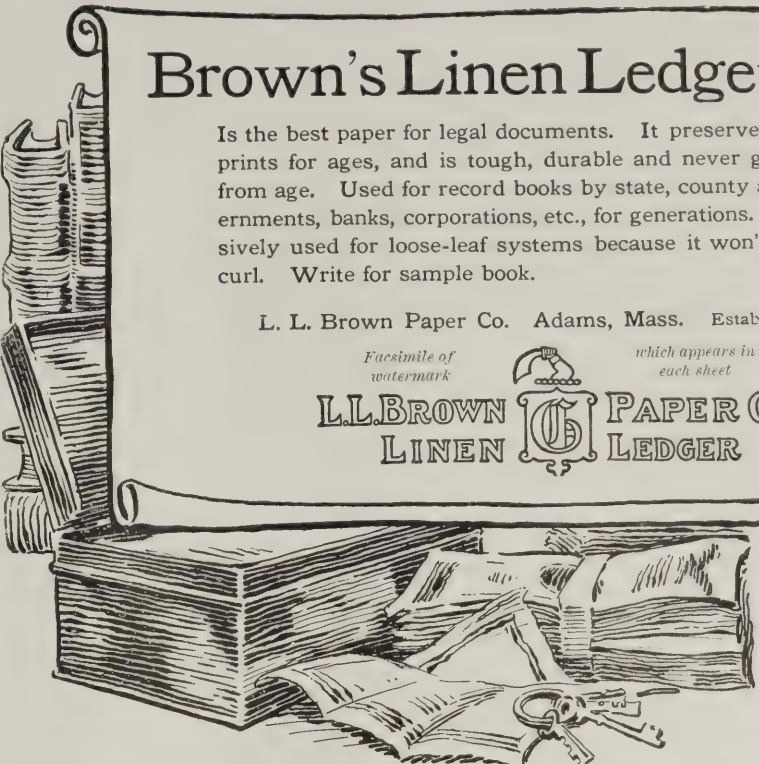
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lation—with two or three other states—in this respect. It is time to catch up.

The Duluth Herald, which also takes an interest in the Illinois situation, calls attention to the example of Minnesota, which has a law prohibiting private banks.

"There was protest, of course," says the Herald, "and for some years effective opposition; but the proposal was so manifestly right that it had to win. Those who engage in the banking business on legitimate lines start state or national banks. Though doubtless there are many strong and safe private banks in Illinois, as there were in Minnesota, the risk is too great for any state to permit."

CHICAGO PRIVATE BANKER IN COURT

Archie C. Tisdelle, former La Salle Street private banker, whose institution became insolvent about three years ago, was summoned for trial before Judge Denis E. Sullivan on Friday morning. He is under indictment for receiving deposits when he is said to have known his banking institution was insolvent, and on a charge of embezzlement. The true bills were voted March 19, 1908. Among the accusers are A. W. Wadsworth and Mrs. Jennie B. Mitchell. Wadsworth was an officer of the Progressive Lodge of the International Association of Machinists.

MICHIGAN BANK CLOSED

Evidences showing "frenzied finance" methods in the conduct of the Dowagiac State bank have been uncovered by the banking department, and as a result the bank is still closed while a complete audit is being made. Concerning the situation, E. H. Doyle, state banking commissioner, has issued the following statement:

"So far we have discovered about \$12,000 in forged notes, and until a complete audit is made we cannot say what the outcome will be.

"There are other questionable matters that I do not care to go into detail about at this time. The bank will be closed until we are satisfied it should open in a safe and solvent condition, and it may never open again, under the same management.

"One thing is certain in my opinion, no man in

active charge of a state bank should be owner of a private bank or in any way interested in one.

"This and the recent developments at the Albion National bank show the importance of greater care on the part of directors in all banks, in the examination of all assets. One man banks are always dangerous, and my experience during the past year has proven this beyond a doubt."

LENNON BANK SHORT

Lennon, Mich., Feb. 7.—According to the inventory made of the Lennon bank, which has been operated by J. Burt Jenney, the Dowagiac banker, whose institution at that place was closed Saturday, the assets of the Lennon bank total but \$62,503.98. People of Lennon have \$125,000 on deposit in the bank.

The reported large deficiency in the local bank is accounted for by depositors by the fact that as soon as money was received here it was ordered sent to Dowagiac. The Lennon bank possessed only a very small safe, and it would not have been advisable to retain a very large amount. The affairs of the local bank were known at Dowagiac, the headquarters of Jenney's string of banks. One clerk in the Dowagiac bank did nothing but handle the correspondence and reports of the other banks in which Jenney was interested. Daily reports were made of the condition of the other banks.

The bank is now in charge of Under Sheriff Bert Griffin, of Corunna, who was appointed by Judge S. S. Miner to take charge of the bank under the attachment secured by Robert Morrison.

M. T. HERRICK NAMED

Washington, February 7.—The nomination of former Governor M. T. Herrick, of Ohio, to be ambassador to France, was sent by President Taft to the senate to-day. He will succeed Robert Bacon, resigned to become a fellow of Harvard University. The government of France has notified Washington that Mr. Herrick will be acceptable.

Little Falls, Minn.—The following are the officers of the German-American National Bank for the ensuing year: C. A. Weyerhaeuser, president; J. W. Berg and John Wetzel, vice-presidents; E. J. Richie, cashier.

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1-A Reflex, focal plane shutter, Celorsix-inch lens. Cost \$84.50. Like new, \$45.00. Address, X-44, Chicago Banker.

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4x5 Goerz-Argo, latest model, Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$165.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale, 9 1/4-inch Goerz Dagor, Volule shutter. value \$97.50. Sell for \$50.00, like new. Six-inch Dagor, Koilos Shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,

407 Monadnock Block, Chicago.

RECEIVER FOR BANK

Hartford, Conn.—As a result of a conference between the state bank commissioners and the attorney-general, a receiver will be appointed for the Windsor Locks Savings Bank, and Judge Reed of the superior court set next Tuesday for the hearing and naming of the receiver.

PROMINENT EX-BANKER DIES

Cincinnati, Ohio.—Clarence W. Kuhn, member of the former banking firm of S. Kuhn & Bros., of this city, and a cousin of the head of the banking firm of Kuhn, Loeb & Co., of New York, died, February 1st, following an operation.

The Guaranty State Bank of Bragg, Okla., has been organized with a capital of \$10,000.

Department of New Business

NORTHWEST

Hardinsburg, Ind.—The Bank of Hardinsburg has been organized. F. A. May is president. Geo. Harvey vice-president and R. A. McKinley cashier.

Lucerne, Ind.—A bank will be established here with a capital stock of \$25,000, to commence business about May 1st. Willard Winn, J. A. Freshour, S. M. Grable and others are interested.

Christopher, Ill.—The Christopher State Bank with a capital of \$35,000 is being organized here. D. Cutter, H. H. Rea and D. H. Parkhill are interested.

Morton Grove, Ill.—The Morton Grove Trust and Savings Bank, capital \$25,000. The incorporators are: August Geweke and J. A. Hoffman.

Normal, Ill.—A new bank is being organized here. F. Hanson, J. E. Richmond and T. W. Brown are interested.

Greenleaf, Wis.—State Bank of Greenleaf incorporated. Capital \$15,000. Incorporators are: Leo P. Fox, T. E. Connell and Thomas Flatley.

Wheeler, Wis.—The Wheeler State Bank has been authorized to do business; capital stock \$10,000. A. H. Beretengross, D. C. Coolidge and Martin S. Leftstad are the incorporators.

WEST

Bradshaw, Neb.—The Farmers State Bank has been organized with a capital of \$15,000. C. A. McCloud, R. R. Copey and J. R. McCloud are the organizers.

Seneca, Neb.—The Stockmens Bank is being organized. Jay Oliver, John W. Mann and Hugh E. Benton are interested. The capital will be \$15,000.

Virgil, Kan.—Virgil State Bank is the title of a new bank here, with a capital of \$10,000. W. H. Dalton, A. S. Kulander and A. M. Erickson are interested.

Braggs, Okla.—Guarantee State Bank is being organized with a capital of \$10,000. Elmer Coon, E. E. Folk and others are interested.

Olympia, Wash.—With a capital of \$10,000 articles of incorporation of the Methow Valley Bank have been filed with Secretary of State I. M. Howell. The incorporators of the new institution are: O. A. Johnson, Emma E. Borg and Charles T. Borg.

Kent, Wash.—Kent is to have a national bank of which M. M. Morrill, J. Bovee, H. B. Madison, B. Colerman and T. N. Berlin are the organizers. M. Morrill is to be president.

Davenport, Wash.—The Creston State Bank is preparing to install a branch at Peach, with C. E. Funkhauser as cashier. Geo. Duncan, cashier of the Creston bank, will manage both banks.

Suisun, Cal.—The comptroller of currency has approved an application to convert the Solano County Bank of Suisun, Cal., into the First National Bank of Suisun, with a capital of \$100,000.

SOUTH

Longview, Texas.—The East Texas Trust Company has been organized at this place. P. C. Morgan is president, W. K. Eckman, A. A. Batson, S. R. Thrasher, C. F. Miles and M. G. Caldwell, vice-presidents, V. S. Campbell treasurer and E. B. Smith secretary.

Pickens, Miss.—The Pickens Bank is being organized here. Capital will be \$25,000. J. T. Thomas and J. B. Stirling are interested.

Waynesboro, Miss.—The Peoples Bank is

reported organized with the following officers: C. P. Wetherbee, president; B. Arrington, vice-president and J. A. Legett, cashier.

Ellenwood, Ga.—The Bank of Ellenwood is the title of a new bank being organized here with a capital of \$25,000. A. M. Stewart and J. A. Callaway are interested.

Tampa, Fla.—The Central Trust Company has applied for a charter. J. M. Harvey will be president, Chas. E. Ball vice-president, D. E. Owen secretary and S. C. DeGarmo treasurer and cashier. The capital stock will be \$50,000.

Comer, Ala.—A new bank with a capital of \$15,000 is reported being organized. J. L. Houston and N. A. McKinnon are interested.

Washington, La.—The Farmers Bank and Trust Company with a capital stock of \$100,000 is being organized at this place.

EAST

Rising Sun, Md.—The Farmers Trust and Banking Company has filed articles of incorporation. The incorporators are: J. Wayne Reynolds, C. Ross Biles and others.

Coats, N. C.—Bank of Coats is the title of a new bank here; authorized capital \$50,000. J. T. Coats, J. W. Calton, P. F. Pope and others are interested.

Englewood, Ohio.—The Englewood Bank is the title of a new bank here.

Cambridge, Mass.—A new trust company is being organized at this place. Title Merchants Trust Company. Chas. L. French, Chas. Whittemore, Emery H. Marsters are interested.

New York City.—The new firm of Nichols, MacDonell & Scheider is composed of Erickson H. Nichols, A. Masters MacDonell and Edmund J. Scheider with offices at 60 Broadway.

New York City.—The National Bank of Santo Domingo has opened an agency at 63 Broadway.

Glen Ridge, N. J.—The Glen Ridge Trust Company is being organized at this place with a capital of \$100,000.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 31)

York, and of the First National at Marquette, is to become a real "country gentleman." He has bought a seven-acre estate at Short Hills, N. J., and will become a loving subject of Governor Woodrow Wilson.

BESIDES a large dwelling, constructed entirely of reinforced concrete, with a tile-covered roof, and containing every modern detail, the property consists of a concrete garage and kennel, the elevation of the estate being such as to afford excellent views of the Navesink Highlands.

E. B. CLARE-AVERY, St. Louis, writes: "Your most interesting paper—the only one which, I may say, I go to the trouble of reading each week from cover to cover." Thanks, old man!

BATAVIAN NATIONAL, up at La Crosse, made a big hit by printing as a full page advertisement in a local paper a copy of the new income tax law which went into effect in Wisconsin in July, 1911. Extra copies in pamphlet form can be had from the bank. The law affects every income above \$800 per year, and is a model of its kind. Evasion will be difficult and, if caught, costly.

CASHIER.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

CHAS. W. HINKLEY, a director in the Fort Dearborn National, died on Monday at his residence on Greenwood Avenue in this city. This is the second director the Fort Dearborn has lost by death within the past week. The other was Edwin Halley, the railroad magnate and manager.

A LETTER from Thomas H. Gardiner of Los Angeles commends *THE CHICAGO BANKER* editorial on uniform state laws. Mr. Gardiner says that for years he has advocated just such a condition, and that he favors limiting the interest rate on money so as to make it the same in all the states. He goes further and states that he believes a limit should be placed on dividend possibilities of capital stocks.

INVESTIGATION by the Interstate Commerce Commission into the express company business has shown overcharges in one month of \$67,000. In one day there were overcharges on 3,000 packages, not one cent of which ever was returned.

IF the Interstate Commerce Commission could learn of the number of times where charges have been collected at both ends, it would add a wonderful argument in favor of the abolition of the present express company system.

FOR years the express companies have had senators in congress looking after their monopoly in a legislative way, so that this practically is the only country of any pretense on the face of the earth which has not a parcels post system developed. It costs more to send a package from New York to Newark than it does from Copenhagen to San Francisco.

FOR several years the American Bankers Association has conducted a fight against express companies being in the banking business, on account of their selling alleged money orders and charging for the transfer of the funds. The transfer charges were fraudulent, for it has been shown in thousands of cases that no transfer of funds ever took place. The express company depended entirely upon the local bank to meet their money order demands. It would seem that right now is a good time for bankers, shippers and the defrauded public to unite to straighten out the express company situation.

SOME people have been unkind enough to say that *THE CHICAGO BANKER* is "after the private bankers." Nothing of the sort. For years the fixed policy of this paper has been in support of supervision and inspection of all kinds of banking, and it would like very much to see it extended to stock issuing corporations.

WHEN the Chicago clearing house set the world an example of what the highest type of refined bank examination means, it made the greatest step in advance in banking customs made in a quarter of a century.

IT has come to pass that clearing houses in almost every city of any size, including New York, have followed the Chicago example. It seems incredible that the city of Chicago should be so far in advance of other cities and the state of Illinois so far in the rear of other states in the matter of bank inspection.

A GOOD deal of the present-day opposition to state supervision is born of a desire on the part of the more advanced private bankers to be loyal to the supposed interests of the less advanced private bankers. Those who would welcome state supervision, and who would be glad to become incorporated

institutions, are afraid of being pointed out as "quitters." This is a mistake. Instead of being known as quitters, they would eventually be known as leaders, and would be looked up to those who eventually will find it necessary to become reconciled to new conditions.

RECENTLY John H. Rhoades of New York, in speaking about the new banking bill which now is before the Albany legislature, and which is intended to compel banks to report securities held by them at their market value, stated that he believed it would have a tendency to increase the security of depositors.

THIS bank bill changes the requirements in many ways, and raises the maximum surplus from 15 to 20 per cent. It limits the rate of interest to be paid by savings banks to 3 per cent, except under conditions, and authorizes the state superintendent to revise the bookkeeping methods of all savings banks so as to make them uniform.

MR. RHOADES believes that these and other items included in the new bill will eliminate many of the weak features of savings banks. The comptroller of the currency has been trying to bring about uniform banking methods in national banks, and is being supported by bankers generally.

ROCK ISLAND is to have a new bank, with \$100,000 capital, which will be known as the German Trust and Savings, and which eventually will do a general banking business.

HEREAFTER Fourth National of New York will conduct a foreign exchange business, and will have as its manager for that department, a young man who for many years was foreign exchange manager for Kountze Brothers.

F. W. LaFRENTZ, for many years a wheel-horse in the American Surety Company, has been elected president to succeed Henry D. Lyman, who becomes chairman of the board.

SECRETARY P. C. KAUFFMAN of Washington has sent out his proceedings books of the convention held at Wenatchee the middle of September. It is very complete and neatly bound.

NATIONAL CITY BANK of Chicago held its family dinner at the La Salle Hotel on Monday night. President D. R. Forgan announced the details of the pension system which went into effect in the bank on February 1st. Participation is not compulsory upon present employees, but will be as to future help.

MO LINE is to have a real financial center. The Peoples Trust directors at its Monday meeting voted to move up-town four or five blocks to Fifth and Fifteenth streets and will begin at once the erection of a new five-story bank and office building.

ON the three corners will be the three principal banks, then; State Savings on one, Moline Trust on another and the Peoples Trust on the third. Nelson H. Greene feels very sanguine of the benefits to come to the Peoples from the new move.

YOU all remember what Sol Wexler said about the Grand Rapids banker, who "would not know a cotton bill-of-lading from a copy of the Saturday Evening Ghost."

WELL, the good editor of the "Michigan Banker" leads off the January issue with an article on "Financing the Cotton Crop," by an Alabama banker. This ought to help some to redeem the situation.

EMORY W. CLARK, Detroit, is the new member of the finance committee of the A. B. A.

SUNFIELD (MICH.) BANKING COMPANY is converting to a state bank from a private firm.

NEXT night at the Chicago Bankers Club will be "Ladies' Night" with vaudeville.

GEO. F. ORDE has been elected treasurer of the Minneapolis club and Arthur Rodgers, another prince of good fellows, is the new president. Perry Harrison, the new vice-president, makes the "Three of a Kind." The new club house is one of the finest in the whole country and is run in the welcome-to-our-city spirit, which helps a lot.

JOHN D. WALKER, the Georgia banker, has been appointed by President Taft upon the National Assay Commission, quite a distinguished honor. Fourth time the place has been held by a distinguished Georgian.

STATE BANK of Plainville, Illinois, in two years of corporate life has built up deposits of \$81,342.63. Has also paid a 5 per cent dividend, which is going some for a two-year-old. A. M. Carter is president and Allan B. Ayers is cashier.

BRANDT CASHIER COMPANY, Chicago, has placed eight of their latest model change makers in the ticket office of the new Chicago & Northwestern depot. They save the wages (and mistakes) of three extra men.

THE Brandt Automatic Cashier, changer model, is a mechanical change maker and payer. Press one key and the machine will instantly and accurately pay the exact number of coins required in the transaction. No hesitation, no waiting, no mental effort whatever, but instant accurate payment. Used in thousands of tellers' cages with best results.

GOVERNOR WOODROW WILSON will hold a public reception at the Hotel La Salle on Monday from 11 A. M. to 12 noon, under the auspices of the Iroquois Club. A luncheon will follow.

OUR good friend Chas. Shade, president of the First National of Rock Rapids and of four or five other banks up in that part of the state, will be a candidate for the presidency of the Iowa Bankers Association before the annual convention at Cedar Rapids in June.

MR. SHADE has for many years been active in the affairs of the association, and Iowa could not select a safer or better man for this office. Many were in hopes that J. H. Ingwersen of Clinton would get after it this year, but he does not even seem to want to make the race. Later he may shy his castor into the ring.

HARRY R. DENNIS, president of the Sioux Falls (S. D.) Savings, along with his two brothers and Mr. Van Vechten, has sold out to William Ontjes, former cashier of the American National, who will consolidate the two banks.

THE American will liquidate and the Savings will increase its capital to possibly \$300,000. Harry Dennis and his brother have incorporated and will conduct their big farm loan business as Dennis & Dennis. Really, this end of their business outgrew the bank in profit making.

THE Dennis & Dennis firm will be at 450 Boyce-Greely building in Sioux Falls and will take up farm loan business of any legitimate nature. They are among the best known bankers in the state, and fully responsible.

H. R. was kind enough to write, "Send me *THE CHICAGO BANKER* to the new address. Couldn't get along without it."

LOUIS G. KAUFMAN, president of the Chatham and Phenix National at New

(Continued on page 30)

ALL BRANCHES OF BANKING

1857



1912

ORSON SMITH	-	-	President	P. C. PETERSON	Assistant Cashier
EDMUND D. HULBERT,	-	-	Vice-President	C. E. ESTES	-
FRANK G. NELSON	-	-	Vice-President	LEON L. LOEHR	Sec'y and Trust Officer
JOHN E. BLUNT, Jr.	-	-	Vice-President	F. W. THOMPSON,	Mgr. Farm Loan Dep't
J. G. ORCHARD	-	-	Cashier	H. G. P. DEANS	-
				Mgr. Foreign Dep't	

CAPITAL AND SURPLUS - \$9,000,000



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

THE NATIONAL CITY BANK OF CHICAGO

Capital, Surplus and Undivided Profits \$ 2,500,000.00
Resources - - - - 29,300,000.00

OFFICERS

ALFRED L. BAKER	-	-	DAVID R. FORGAN, President	HENRY MEYER	-	-	Assistant Cashier
H. E. OTTE	-	-	Vice-President	A. W. MORTON	-	-	Assistant Cashier
F. A. CRANDALL	-	-	Vice-President	WM. N. JARNAGIN	-	-	Assistant Cashier
L. H. GRIMME	-	-	Cashier	WALKER G. McLAURY	-	-	Assistant Cashier
W. T. PERKINS	-	-	Assistant Cashier	R. U. LANSING	-	-	Manager Bond Dept.
W. D. DICKEY	-	-	Assistant Cashier	M. K. BAKER	-	-	Asst. Manager Bond Dept.

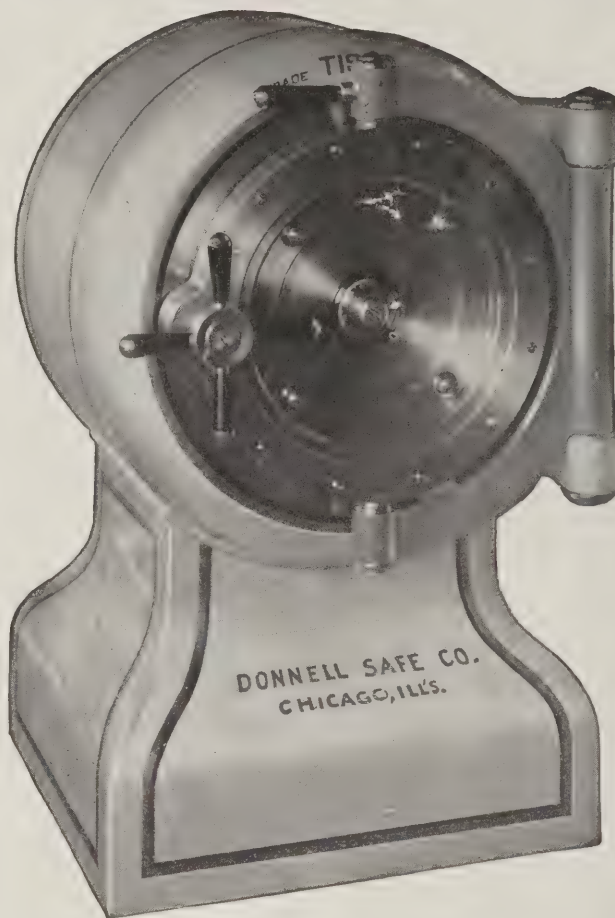
Fourth Street National Bank OF PHILADELPHIA

Capital - - - \$3,000,000.00
Surplus and Profits 650,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board	
E. F. SHANBACKER, President	FRANK G. ROGERS, Vice-President
JAMES HAY, Vice-President	R. J. CLARK, Cashier
B. M. FAIRES, Vice-President	W. A. BULKLEY, Assistant Cashier
W. K. HARDT, Assistant Cashier	

Donnell Safe Co.



General Western Agents for the York Safe & Lock Co., who have the best-equipped safe factory in America. Their Manganese safes are superior to any in the market. We sell these safes subject to a test against any Manganese safe made and will guarantee all our work equal, if not superior, to any made. We can refer you to any banker in Chicago. We carry the largest stock of bank safes in Chicago. Burglar vault doors, vault linings, burglar safes that have been used always on hand. A large lot of second-hand deposit boxes that are modern and good as new.

227-229 Washington St., Chicago, Illinois

The Girard National Bank OF PHILADELPHIA

Capital - - - \$2,000,000.00
Surplus and Profits 458,500.00
Deposits - - - 40,000,000.00

FRANCIS B. REEVES, President

RICHARD L. AUSTIN
Vice-President

JOSEPH WAYNE, Jr.
Cashier

THEO. E. WIEDERSHEIM
Second Vice-President

CHARLES M. ASHTON
Asst. Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

FEBRUARY 17, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

Detroit Plans

By unanimous vote of the American Bankers Association at the convention held in New Orleans during November last, Detroit was selected for the 1912 convention-city and the thirty-eighth annual convention will be held there during the week beginning Monday, September 9th. This date was decided upon at a recent meeting of the associated banks (see last week's *BANKER*) and clearing house of Detroit, which meeting was attended by President William Livingstone, of Detroit, and Secretary Fred E. Farnsworth, of New York. Every bank in the city of Detroit was represented at this initial meeting, which was held for the purpose of effecting organization, and was marked with enthusiasm, unanimity of feeling, and hearty co-operation. Secretary Farnsworth outlined in general terms the necessary preliminary action, and suggested the importance of the early appointing of committees, especially a hotel committee, which could systematize hotel-applications after the principal hotels have cared for all of the applications which they can receive.

The associated banks appointed the following committee of Detroit bankers, which is to name all of the local committees: William Livingstone, president Dime Savings; Emory W. Clark, president First National, and Charles Moore, vice-president Security Trust.

The Hotel Pontchartrain has been selected as headquarters. This hotel is new and of the best construction, being fireproof and up-to-date in every particular. The site occupied by it is famous in Detroit as a hotel-site for nearly a century. It has been occupied successively by the National Hotel, the Russell House, and now the "Pontchartrain." The hotel is in the center of the city on Campus Martius, convenient to all car-lines; is within one square of Griswold, the "Wall Street" of Detroit; faces the city hall and the square, as well as many important business buildings. It is ideally arranged for a headquarters hotel, as it possesses ampler accommodations for registration purposes, state headquarters, council, section and committee meetings, for they can all be held in this building.

WEISER CONCENTRATING INTERESTS IN IOWA

C. J. Weiser, president of the Winneshiek County State Bank of Decorah, Iowa, who was one of North Dakota's pioneer bankers, having entered that state twenty years ago, has sold to local parties in the several towns where he has owned banks the larger part of his North Dakota interests.

Mr. Weiser has great faith in the future of the state, but owing to its distance from his home in Iowa, and to the increasing demands on his attention from his local enterprises and their various ramifications, in order to devote some of his time to travel, he finds it necessary to curtail his operations. Mr. Weiser's Winneshiek County Bank at Decorah is a money maker, and has deposits close to a million and a half. His many friends will be glad to know that he will concentrate his interests and activities in Iowa. A statement of Mr. Weiser's bank printed on another page shows

New Members of the Big Council



R. B. CRANE
Vice-President National Bank of Commerce
TOLEDO, OHIO



HENRY M. BATCHELDER
President Merchants National Bank
SALEM, MASS.

in detail the quick assets and marketable collateral held by the bank. It is as clean a statement as can be made.

President Waite

President A. I. Waite of the Missouri association was in Chicago Thursday, direct from Joplin, where the Missouri convention will be held, May 21st and 22d. He says present plans are to surpass anything heretofore done by this premiere organization which, naturally, will be "going some."

NEW BUILDING DEDICATED AT GOLCONDA

The officers and board of directors of the Pope County State Bank at Golconda, Illinois, invited everybody in the county, as well as a few neighboring bankers, to attend the informal opening of their beautiful banking room on Saturday last. Between the hours of 9:00 A. M. and 10:00 P. M., over 1,500 visitors had inspected the new quarters, and all were treated courteously by a reception committee composed of all of the officers and directors and their families. C. R. Hieronymous of the Harris Trust was among the Chicago visitors.

The new building is a two-story pressed brick structure, trimmed with white stone on the outside, and has a very beautiful entrance. The interior is up to date in every way, having white marble fixtures and wainscoting. The vaults are very complete and have two hun-

dred safety deposit boxes, protected by electric burglar alarms. The total expenditure of the building and fixtures is something upwards of \$30,000. It is about the prettiest banking room in southern Illinois. Refreshments were served and souvenirs given to all visitors. The officers are Edward B. Clark, president; Henry Walter, Sr., vice-president; Henry V. Hesselman, cashier; and Blaine Boicourt, teller.

A. I. B. Plans

George E. Allen, educational director of the American Institute of Banking, has sent out notice that the annual convention at Salt Lake will be held August 21st, 22d, and 23d. Attendance is expected to break all records.

MASON TO FACE CREDITORS

William A. Mason, sole proprietor of the failed Wilson Avenue Bank, agreed to meet his creditors' committee Friday morning. It was hoped he might explain what he did with the \$30,000 of deposits that are said to be missing. And depositors expect to learn just what remains of the bankrupt banker's assets.

L. A. Goddard

L. A. Goddard, president of the State Bank of Chicago, who has been absent in Florida for six weeks, returned to the city this week.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS	- - -	President
RALPH VAN VECHTEN	- - -	Vice-President
ALEX. ROBERTSON	- - -	Vice-President
HERMAN WALDECK	- - -	Vice-President
JOHN C. CRAFT	- - -	Vice-President
JAMES R. CHAPMAN	- - -	Vice-President
WM. T. BRUCKNER	- - -	Vice-President
WM. G. SCHROEDER	- - -	Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH	- - -	Cashier
HARVEY C. VERNON	- - -	Assistant Cashier
GEO. B. SMITH	- - -	Assistant Cashier
WILBER HATTERY	- - -	Assistant Cashier
H. ERSKINE SMITH	- - -	Assistant Cashier
JOHN R. WASHBURN	- - -	Assistant Cashier
WILSON W. LAMPERT	- - -	Assistant Cashier
DAN NORMAN	- - -	Assistant Cashier
FRANK L. SHEPARD	- - -	Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

GEORGE M. REYNOLDS
President

JOHN JAY ABBOTT
Vice-President

GEO. B. CALDWELL
Vice-President

CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
Circulars on application

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CHICAGO

WEIL, ROTH & CO.

CINCINNATI AND CHICAGO

Municipal **BONDS** Netting 3.80 to 5.50%

Corporation **BONDS** Netting 5 to 6%

Short or Long Maturities

INQUIRE FOR LIST OF OUR HOLDINGS

115 South La Salle Street

CHICAGO

Fort Dearborn National Bank



UNITED STATES DEPOSITORY

Capital - \$2,000,000

Surplus - 500,000

Deposits - 25,000,000

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
THOMAS E. NEWCOMER, Asst. Cashier
HARRY LAWTON, Manager Foreign Department

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908	\$ 9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
March 7, 1911	21,574,956.79
June 7, 1911	23,137,746.88
September 1, 1911	24,500,075.82
December 5, 1911	25,445,199.89

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Drovers Deposit National Bank

OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-eight years rendered Efficient and Quick Service to its Correspondents

Resources, Nine Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER
GEO. M. BENEDICT
WM. C. CUMMINGS



Mainly About Banks and Bankers

OVER the ground wire we caught a conversation which sounded something like this after business of Mason City calling Waterloo over the Barbed Wire Line:

MASON CITY—Say, do you know I've been figuring up? We only lost the Progressive Movement at the New Orleans convention by fifteen votes. So I got busy and have the fifteen votes promised, so we'll put it over at Detroit. I hate to be beaten.

WATERLOO—That's all right about the new fifteen, but how about the old 265? Will they be there and stand up again? Then, too, where can we get three such vote tellers, as you, Charley, Sol. Wexler and William George?

MASON CITY—Did you think we added much strength? I'm not very proud of that part of the program, but Watts was fair, very fair, and do you think Livingstone will be for us or against us?

WATERLOO—Livingstone's all right but probably cannot see as well as Watts did. He might fail to "see" a Progressive if he was very far back on the side aisle. But, Charley, don't forget the 265 before you count your fifteen. There will be a lot more people from New York, Ohio and Pennsylvania at Detroit and far less from Oklahoma, Texas and Louisiana, where, naturally, they are "agin the government." So, don't forget the 265.

J. E. PLATT, secretary, sends in to say that the executive council of the South Dakota Bankers Association met at Huron February 6th and fixed the date for the next annual convention to be held at Belle Fourche, June 26th and 27th, 1912.

ILLINOIS, which probably will meet in Peoria this year, will be disconcerted by the September 9th date for the A. B. A. meeting at Detroit. Either it will be the first week of September or it will be a "post-season" affair, as happened once or twice before. Even September first week is early for Peoria.

EDWIN T. COMAN, Spokane, is over at Ocean Park, Cal., fishing and motoring and having a good time. Will be back at the Exchange National about April 1st.

T. R. PRESTON, down at Chattanooga, says he enjoys "Mainly About Banks and Bankers" as the "livest" thing which comes to his desk.

C. H. McNIDER of Mason City is off, this week, for a month at "doing nothing" in Pasadena territory. If he likes it he will stay five weeks.

C. G. HUTCHESON, Kansas City, says the C. K. C. bankers club enjoyed Joseph Chapman's "farmer" talk this week at the monthly banquet. Thornton Cook, who succeeded Chapman at the head of the express money order committee of the A. B. A., was on the program also.

FURTHER, Mr. Hutcheson says: "While I do not believe in flattery, I do think that a word of praise, when deserved, is not amiss, and with this in mind, will say that on Monday morning I look with interest to reading what 'Cashier' has to say about 'Banks and Bankers,' and find much that is of interest in that department of your paper."

R. C. STEPHENSON, South Bend, has called our attention to the loss which all Indiana bankers felt at the death of Frank Martin of the Indiana Trust Company. Mr. Martin was a man of ability and of very pleasing personality.

INDIANA HARBOR (Ind.) STATE BANK, of which G. J. Bader is president and Jas. G. Allen cashier, will be turned into a national bank shortly, with a capital of \$100,000, under the name of Indiana Harbor National, with the same officers in charge. The present capital is \$50,000.

THE New South hasn't anything on the New Farley National, which is up (or ahead) of the times in growth. Deposits in February, 1911, were \$397,918.60, and in one year are up to \$535,123.38.

A BANK robber who went up against that Minneapolis banker reports that he lost nothing but his revolver. He didn't have any money. Minneapolis bankers are nobody to try to rob, not even at bridge. Eh, Don?

WE hear that "Banker" Watson played the market when not playing the suckers who only read what the sign says. When is a bank not a bank? When it's not incorporated.

EVERY banker will be pained to learn that the little daughter of Arthur Reynolds, the one which underwent such severe illness last year, was hurt by an automobile since the family went to Pasadena for the winter. A careless chauffeur backed a machine over her while she was at play on the sidewalk, the wheels passing over both limbs. The doctors say she will recover, and be as well as before.

GROUP 7, Illinois, will meet at Sullivan on Washington's birthday and will be an agricultural event. President Irving Shuman believes in winter group meetings of a strictly business character rather than the usual summer outings.

PRESIDENT HARRIS of the state association will talk and H. A. Pearsons of Chicago is on the program. Both will talk farming and vocational education. Comrade W. G. Edens is down for "a talk," but Shuman says it will be in the complimentary sense—what the boys call "some talk."

THE counties in the group will each have a speaker on the program. J. E. Reese of Pana will speak for Christian county; E. W. Payne of Springfield for Sangamon; J. M. Allen of Decatur for Macon; Thos. P. Ross of Carlinville for Macoupin; Alf. Griffin of Nokomis for Montgomery; E. N. Herron of Shelbyville for Shelby county and Robert W. Noble of Bethany for Moultrie county.

THE sessions will be held in K. P. hall, beginning at noon. Mr. Harris, Mr. Edens and Mr. Pearsons will speak at a special evening session held in the Sullivan county court house, where a big farmer audience will be present. A luncheon will precede the noon meetings.

IT is said that a number of other group presidents share Mr. Shuman's idea about the winter being the best group meeting season, and that others will follow the Sullivan meeting, which promises to be a record breaker in both interest and attendance.

SECRETARY GEORGE D. BARTLETT, of Wisconsin, sends word that "the special committee appointed by our last convention to consider the subject of the organization of a company for the purpose of insuring bank deposits, and of which H. A. Moehlenpah of Clinton is chairman, has had several meetings and conferences with the insurance commissioner and the commissioner of banking. I think they hope to have a tentative plan within a short time for submission to our members, and when this is prepared I believe your readers would find it something of interest."

CHICAGO BANKER will be glad to herald the news of the interesting Wisconsin experiment. That state sent a commission to investigate the Oklahoma conditions, and is a very forward state so far as the adoption of modern laws is concerned. Bankers "all over" will want to know, and now it is up to Bartlett to keep us informed.

WE hear that Secretary Hoopes has had to call off some Texas group meetings because of an epidemic of "stiff neck." Too bad, and the usual Texas remedy for such things and snake bites is said to have failed entirely.

LAST week we referred (by stenographer) to an extension of the par list by D. R. Forgan in the Taft interests. Came out "power list" in the wash, but at that it wasn't so bad. Here is a letter it brought forth and which shows that some still take a joke seriously.

TO THE EDITOR: Your little editorial notice, "Winning Illinois for Taft," leads me to hope that my name may not pass wholly unmoted in your valuable journal. I have been nominated for president by the United Christian party and by the Free American party. My running mate is Samuel C. Carter, of Howard Lake, Minnesota. No financial sponsor for my campaign has been chosen, but a volunteer will be welcome. Presidential campaigns should be honest efforts to ascertain the will of the people, not mere boosts for favorite sons.

Respectfully,

Decatur, Illinois. DANIEL B. TURNEY.

NOW, here is a further chance for some good banker to get into politics (not very deep) by joining Mr. Turney's forces. He is willing, as you have seen.

(Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President

CHICAGO

RALPH N. BALLOU, Cashier
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REMITTS

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

JOHN A. LYNCH, President
R. M. McKINNEY, Cashier
JAMES M. HURST, Asst. Cashier
W. H. HURLEY, Asst. Cashier

W. T. FENTON, Vice-President
O. H. SWAN, Asst. Cashier
WM. B. LAVINIA, Asst. Cashier
WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.

THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-eight years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$116,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-President
JOHN F. HAGEY, Assistant Cashier

R. F. NEWHALL, Assistant Cashier
G. H. DUNSCOMB, Assistant Cashier

FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President
CHARLES L. HUTCHINSON, Vice-President
D. A. MOULTON, Vice-President
CHAUNCEY J. BLAIR, Vice-President
B. C. SAMMONS, Vice-President

FRANK W. SMITH, Cashier
JOHN C. NEELY, Secretary
J. E. MAASS, Assistant Cashier
JAMES G. WAKEFIELD, Assistant Cashier
LEWIS E. GARY, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

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Clarence Buckingham
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Charles H. Hulburd
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Chauncey J. Blair
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The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

DIRECTORS

A. C. BARTLETT MARVIN HUGHITT ALBERT A. SPRAGUE
WILLIAM A. FULLER CHARLES L. HUTCHINSON SOLOMON A. SMITH
ERNEST A. HAMILL MARTIN A. RYERSON BYRON L. SMITH

Personal Official Supervision—
Close Attention to Details—
Prompt and Efficient Service—

Are some of the features that are
winning and holding new business for

The Live Stock Exchange
National Bank
of Chicago

THE CHICAGO BANKER

Founded in 1898

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Strong Support for State Supervision

Last week's issue of THE CHICAGO BANKER contained direct replies from the state banking departments of a large number of the states in which the law provides for complete supervision and inspection of all forms of banking. Since it has appeared Chicago has furnished two more "horrible examples" by the closing of the Wilson Avenue Bank on Friday last and the Leavitt Street Bank on Saturday, both of which were private institutions. More than seventy columns of printed matter have appeared in the Chicago dailies, describing the suffering of the poor, misguided depositors and dupes, who mistook these two institutions for real banks in which their funds would be safe and repaid to them upon call. It is out of the question to reprint the details of these events, except to say that in the case of the Wilson Avenue Bank the loss probably will run from twenty-five to forty thousand dollars, and so far as the depositors are concerned, practically will be total. In the case of the Leavitt Street Bank it is charged even by the cashier of the bank that the proprietor took the money which he, the cashier, had deposited, as well as that deposited by outsiders. This bank probably is a small affair, but the loss, so far as the depositors are concerned, will be total.

No new argument can be adduced from either of these instances, since they are an exact repetition of what has been happening in Chicago ten or fifteen times a year for the last twenty-five years. The Wilson Avenue Bank was the second bank to fail in the same building, under the same circumstances and with the same results. Both of them were private banks, and in each case the depositors lost their savings. This week further instances of how good banking laws have been passed, and how they are administered in other states, will be given.

Oregon Supervises Private Banks

Superintendent of Banks Will Wright, of Oregon, gives a clear and business-like statement of how bank supervision and inspection work in his state. He says: The amendments to the banking laws of Oregon, enacted by the legislature of 1911, were so sweeping as to practically constitute a new act. Under the original law, passed in 1907, all banks and "bankers" were placed under state supervision and inspection. Private bankers are required to set aside a fixed capital, not less than the amount required to be paid in by incorporated banks; and are required to comply with the provisions of the law in the same manner and to the same extent as incorporated banks. Since the law became effective, all new banks are required to incorporate.

Private banks have experienced no difficulty in adjusting their business, to comply with the

Banking superintendents, bankers and newspapers continue to pile up arguments favorable to a new law for Illinois and a separate banking department

law, and appear to benefit by reason of being under state supervision. The first annual report of this department, dated December 1, 1908, shows twenty-two private banks under supervision. The fourth annual report of this department, dated January 1, 1912, shows but eleven private banks; and a number of these are contemplating incorporating or consolidating.

The 1911 amendments to the banking law provided for the liquidation of failed banks by the state banking department. Since this amendment became effective, two banks have been placed in charge of the department for liquidation; and both are now in process of liquidation. From present indications, the first, a country bank, with assets amounting to about \$65,000.00, will be liquidated at an expense of about \$1,000.00, and the second, a city bank, with assets of over \$360,000.00, will probably be liquidated at an expense of less than \$4,000.00. In view of the fact that liquidations handled by the state banking department are in the hands of experienced bank men and the legal questions are passed on by the attorney-general, there is a large saving in expense. Liquidations are also expedited; and the service of the special deputies is dispensed with as soon as liquid assets are realized upon. The final liquidation can then be handled by the regular force of this department, with little additional expense.

What the Law Says

The following is the section of the law of this state which relates to inspection of state banks:

"Every bank in this state coming under the provisions of this act shall be subject to the inspection of the superintendent of banks. The superintendent of banks or a duly appointed examiner shall visit every such bank twice in each year, and as often as the superintendent of banks shall deem necessary, and make a complete and careful examination of the condition and resources of said bank, the mode of managing its business and conducting its affairs, the action of its officers and directors in the investment and disposition of its funds, the safety and prudence of its management, the security afforded to those by whom its engagements are held and whether the requirements of the banking laws of this state are

being complied with and such other matters as the superintendent of banks may direct."

Among the penalties provided for violation of banking laws of this state are the following:

Felony—Embezzlement or misapplication of funds or securities, 1 to 20 years in the penitentiary; Making or publishing false reports of condition, or making false entries, 1 to 5 years in the penitentiary, or fine of \$1,000 to \$5,000, or both fine and imprisonment; Receiving deposits, knowing bank to be insolvent, imprisonment not exceeding 5 years, or fine of \$1,000 to \$5,000.

Misdemeanor—For conducting a banking business, or using words "bank," "bankers," etc., in advertising, without certificate of authority, fine of \$100 to \$1,000; For failure to submit report of condition within 10 days from date of receipt of call, \$25.00 per day; For failure to submit report of earnings and dividends within 10 days from the 1st day of January, \$10.00 per day; For failure to install books, upon receiving instructions from the superintendent of banks, \$10.00 per day.

General Penalty—For violation of any provision, for which a penalty is not expressly provided, fine of \$100 to \$1,000, or imprisonment in county jail not more than 1 year.

In this state private banks are assessed on a basis that is equivalent to assessment on capital, surplus and profits employed in other banks. There is no discrimination against the incorporated banks in the matter of taxation.

Favors Uniform State Laws

The adoption of uniform banking laws by all states would, in my opinion, be of great benefit to state banks. If uniform laws can be drafted, along lines that will meet conditions existing in every section of the United States, such laws will aid in placing state banking institutions upon a better and safer basis than it is possible to maintain under present conditions. The adoption of the National Reserve Association plan doubtless would have a tendency to require the enactment of uniform state banking laws, in order to better aid state banking institutions to take advantage of the proposed plan.

It doubtless will be necessary always for each state to maintain a separate banking department, so long as there are banking institutions to be supervised. With the adoption of the National Reserve Association plan, there will be a great many state banks that, by reason of insufficient capital or other causes, can not become members of such association. Such banks will not come under the supervision of the reserve association and should, therefore, be under state supervision.

The banking laws of this state give the superintendent of banks ample powers in the

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regulation of banks under supervision. There are no additional powers required at this time.

New York Has Private Banking Bureau

New York state, as told last week, has a separate Private Banking Bureau, not under the commissioner of banking, but as a department of the office of State Comptroller William Sohmer at Albany, with its own superintendent. At the end of one year Mr. Sohmer made the following interesting report coupled with such suggestions and explanations as he thought would make the matter plain to those interested. Following is his official utterance on the matter:

The Private Banking Bureau

The losses during past years suffered by immigrants and the poorer classes through the failure and absconding of so-called private bankers of different nationalities have been so frequent and extensive that the legislature has from time to time sought by legislation to protect aliens and citizens of the state from such losses. The first enactments for this purpose did not secure the desired results. The discussion of the conditions continued, however, and the Sullivan Private Banking Act was finally enacted and became effective September 1, 1910.

The law provides, with certain exceptions therein contained, that

"No individual or partnership shall hereafter engage directly or indirectly in the business of receiving deposits of money for safekeeping, or for the purpose of transmission to another, or for any other purpose in cities of the first class, without first having obtained from the comptroller a license to engage in such business."

It was the evident intent of this legislation to prevent irresponsible bankers from engaging in this business through a proper test of moral and financial responsibility by requiring continuing evidence of such responsibility and by exacting assurance in the form of a deposit of cash or marketable securities in an amount commensurate with the volume of the business transacted by each. Publicity is also secured by requiring statements of the financial condition of such bankers to be filed with the comptroller four times each year, such statements being open to public inspection.

Certain Exemptions Provided

The statute undertakes to exempt from the licensing provision of the act private bankers and others not engaged in the class of business it is designed to safeguard. In each case the burden of proving the right of exemption is placed on the banker. An individual or a partnership receiving money on deposit for safekeeping or for transmission to others, or for any purpose, when the average amount of each sum received on deposit during the preceding year shall be not less than \$500, may, on proper proof to the satisfaction of the comptroller, be exempted from the other provisions of the act. The act also exempts hotel-keepers receiving money from a guest for safekeeping, also express companies having contracts

with railroads for the operation of an express service thereon, and telegraph companies receiving money for transmission. Exemption may be had from all the provisions of the act by filing with the comptroller a bond, or money or securities in lieu of such bond, in the sum of \$100,000, when the business is conducted in New York City, and the sum of \$50,000 when conducted in Buffalo or Rochester.

Held Legal by U. S. Supreme Court

Prior to September 1, 1910, actions were begun in different courts for the purpose of testing the validity of the law. In January, 1911, the United States Supreme Court handed down a decision upholding its constitutionality.

The effect of this litigation was to deter those amenable to the provisions of the act from complying therewith, and as a result, up to January 1, 1911, only a very few of the private bankers throughout the state, to whom the provisions of the law were applicable, had complied with the licensing provisions or submitted evidence of their right to any of the various exemptions provided under section 29 of the act. More than one hundred private bankers of various nationalities, being with but few exceptions the very persons whose business it was the primary intent of the legislature to license, although apparently availing themselves of the exemption provided under subdivision 3 of section 29d, which, under the act of 1910, exempted express and telegraph companies receiving money for transportation, in reality sought to evade the statute by incorporating as express companies. It was apparent that many of these corporations were organized for the purpose of evading the law, consequently the comptroller caused a thorough investigation to be made

concerning the business conducted by them. From the evidence thus obtained, it appeared that a large number of these corporations were receiving deposits of money for safekeeping in direct violation of the provisions of section 22 of the general corporation law. This evidence was transmitted to the attorney-general for such action as he might deem proper in the premises.

Further Amendments Necessary

To overcome this difficulty in the administration of the private banking law, section 22 of the general corporation law prohibiting the exercise of banking powers by certain corporations, was amended by Chapter 771 of the Laws of 1911. The result has been that at the present time nearly all those so-called express companies have either discontinued business under their charters, or have abandoned the transmission of money on their own account, and are now acting as agents of various transatlantic steamship companies, and by reason of this fact claim the exemption allowed under Chapter 771 of the Laws of 1911.

In conjunction with the Bureau of Industries and Immigration of the labor department, evidence of violations of the private banking act has been gathered, and from time to time has been referred to the proper prosecuting officer.

Section 26 of Chapter 348 of the Laws of 1910 provides that

"Each licensee shall keep books of account showing full and complete records of all business transacted, and a full statement of all assets and liabilities, and shall four times in each year, as of such days as the comptroller shall designate by a notice to be posted on the bulletin of his office, and by written notice delivered at the place of business of such licensee, or deposited in the postoffice in a postpaid wrapper directed to him at such place of business, file in the comptroller's office within ten days after the receipt of such notice, a written statement under oath, in such form as shall be prescribed by the comptroller, showing the amount of the assets and the liabilities of the licensee, which report shall be accessible to the public at all reasonable times."

Further Evasions Duly Met

The reports filed under this section seemed to be of doubtful value, as they could not be verified by this department. Therefore, following my recommendation, the legislature passed the Sullivan amendments of 1911, which, among other provisions, empower the comptroller to examine every applicant for a license or any licensee with respect to the nature and value of his assets, the manner in which the same are invested, the amount and character of his liabilities, and the conditions under which the business is conducted.

Pursuant to the authority conferred by Chapter 348 of the Laws of 1910, as amended by Chapter 393 of the Laws of 1911, effective June 21, 1911, the comptroller has completed the organization of the Private Banking Bu-

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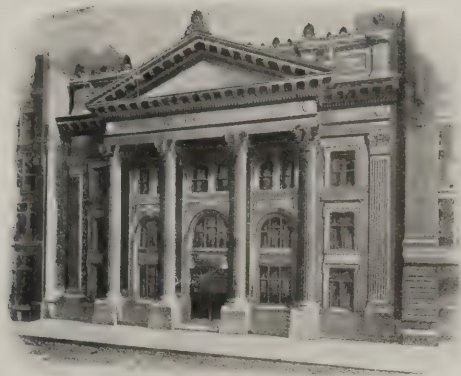
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reau of the department, with a view to carrying out the requirements of the statute. On August 1, 1911, a commissioner of private banks was appointed, and under the direction of the comptroller, has undertaken an aggressive enforcement of this law. The following letter was issued by the comptroller to all licensees under this act and to private bankers conducting business in first class cities within the state:

"Chapter 348 of the Laws of 1910, as amended by Chapter 393 of the Laws of 1911, which provides for the licensing of individuals or partnerships engaged only in the business of receiving money for transmission to another, or engaged in the business of receiving deposits of money, requires among its other provisions, that certain surety bonds be filed with the comptroller.

Private Banking Section

Section 25 of the private banking law establishes that, in addition to the five thousand dollars (in the case of those desiring to "engage only in the business of receiving money for transmission to another"), or ten thousand dollars (in the case of those individuals or partnerships desiring to engage in the business of receiving deposits of money for safekeeping or for the purpose of transmission to another, or for any other purpose) of cash or securities to be deposited with the comptroller, a surety company bond shall also be filed, the penalty of which shall be five thousand dollars, if the applicant is engaged in the business of transmission of money to another, and in all other cases the amount of such penalty shall, if the deposits of the applicant do not exceed twenty-five thousand dollars, be five thousand dollars, and if in excess thereof, the penalty of such bond shall be increased five thousand dollars for each additional twenty-five thousand dollars of deposits, or fraction thereof, not exceeding, however, a maximum penalty of fifty thousand dollars. The law thus provides for a safety fund of from ten thousand dollars to sixty thousand dollars. In each instance, five thousand dollars of the fund (if the appli-

cant desires to engage only in the business of receiving money for transmission to another) and ten thousand dollars (if the applicant desires to engage in the business of receiving deposits of money for safekeeping, for transmission to another, or for any other purpose) representing the deposit required under the law must be in cash or securities, and the balance may be in a surety company bond, unless the applicant for the license prefers to deposit the entire fund in cash or securities.

Subdivision 5 of section 29d provides that the other sections of the law shall not apply "to any individual or partnership who would be otherwise required to comply with section 25 of this article, who shall file with the comptroller a bond in the sum of one hundred thousand dollars approved by the comptroller as to form and sufficiency for the purpose and conditioned as in said section prescribed, where the business is conducted in a city having a population of one million, or over, and if conducted elsewhere in the state, such bond shall be in the sum of fifty thousand dollars; or in lieu thereof, money or securities approved by

the comptroller of the same amount. The provisions of section 29a shall be applicable to such bond, or deposit of money or securities."

"The provisions of this law apply only to cities of the first class, which are New York, Buffalo and Rochester. Accordingly, parties desirous of availing of exemption 5 in section 29d will be required to file a bond of one hundred thousand dollars, if conducting their business in New York City, and a bond of fifty thousand dollars if conducting their business in Buffalo or Rochester.

Personal Bonds Will in No Case be Accepted Under the Provisions of This Act

The department will accept bonds issued by any surety company, which, in accordance with the schedule of the United States Treasury Department, is authorized under act of congress to be accepted as surety for federal bonds, provided such company is authorized by the New York insurance department to do such business in this state.

Any applicant for a license may deposit and the comptroller will accept money or securities in lieu of any surety bond required by this act. Such securities must consist of bonds of the United States or of the state of New York, or of any municipality in the state of New York, or other bonds which are legal investments for savings banks in New York state, and must have a market value equal at least to the amount of the surety bond in lieu, of which they are deposited. The comptroller will pay to any licensee the same rate of interest on any cash deposit that he is able to secure from the depositary of such fund.

The department will furnish copies of the law, application blanks for licenses, the forms of affidavit for exemption, and the forms of bonds to be executed by the applicant, on request addressed to the Albany office or to the New York City office at 165 Broadway.

All Applicants for License Solvent

In the short time that the amendment providing for examination by the comptroller has been in operation, examinations have been

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made of the condition, conduct and affairs generally of seven licensees under the act and of several applicants for a license thereunder, and it is gratifying to note that of all those examined, in no instance was it found that the applicant or licensee was insolvent, or that the condition of the business conducted was such as to render its continuance hazardous, although some licensees were not conducting business in strict accord with the law through misunderstanding of its provisions rather than from any intent to evade. In such cases recommendations made by the comptroller have met with prompt compliance on the part of the banker and almost invariably the private bankers licensed have evinced a marked willingness to comply with the law.

Since September 1, 1910, fifty-two licenses to engage in the business of receiving deposits of money and two licenses to engage only in the business of receiving money for transmission to another have been granted by the comptroller. Five hundred and four individuals and co-partnerships have submitted to the comptroller proof by affidavit evidencing their right to the exemption allowed under subdivision 4 of section 29d and twenty individuals and co-partnerships have availed themselves of the exemption provided under subdivision 5 of section 29d by filing with the comptroller a bond in the sum of \$100,000 or \$50,000 in money or securities in lieu of such bond.

The amount of money deposited with the comptroller pursuant to the provisions of the private banking law is\$ 115,000
The par value of securities so deposited is 1,319,500
The sum of penalties of all surety bonds filed is 1,759,000
Total value of deposits of money, securities and surety bonds\$3,193,500
Fees paid by licensees amount to... 2,600

Alabama Supervises All Banks

A. E. Walker, superintendent of banking for Alabama, has expressed conditions in his state so as to make the banking law plain. He says:

All banks, whether private, partnership or corporation, are subject to supervision and examination by this department. The private bankers of this state did not oppose the new law, and, so far, none of the private banks have had any trouble in qualifying under the state law. I cannot say that the incorporation of any of the private banks has increased their business to any appreciable extent.

This department handles all liquidations and receiverships through a designated agent by the superintendent. In this connection, I will call your attention to Section 9 of the banking act, which says:

"Section 9. Whenever the superintendent of banks shall have reason to believe that the capital stock of any corporation or capital of any individual banker is reduced by impairment, or otherwise, below the amount required by law, it shall be his duty to require such corporation or individual banker to make good the deficit within thirty days after the date of the requirement by him, which requirement shall be in writing. The superintendent may examine, or cause to be examined into, the affairs of any such bank to ascertain the amount of such impairment or reduction of capital, and whether the deficiency has been made good as required by him."

I am not prepared at this time to say whether or not the cost of liquidation of a bank is any less than under the former laws, as I have only closed two very small banks, both of which were conducted by colored people. I am inclined to think a receivership can be handled at less cost under the new banking laws.

I will call your attention to Sections 7, 11 and 15 of the banking law, covering penalties.

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"Section 7. Every bank carrying on a banking business within the state, other than national banks, shall be subject to the supervision and inspection of the superintendent of banks and the regulations and supervision hereof. The superintendent of banks shall, either personally or by competent examiner appointed by him, visit and examine every corporation doing a banking business, and every individual banker doing a banking business in and under the laws of the state of Alabama, at least twice in each year. On every such examination inquiry shall be made as to the conditions and resources of the corporation (or of the individual or individuals in case of individual bankers), the mode of conducting and managing the affairs of the bank, the action of its directors (in case of corporation, the investment of the funds of the bank, the safety and prudence of the management of the bank, and whether the requirements of its charter and of law have been complied with in the administration of the affairs of the bank, and as to such other matters as the superintendent of banks shall prescribe. In addition, the superintendent of banks shall have power, and it shall be his duty, in like manner to examine, or cause to be examined into, the affairs of every corporation and individual doing a banking business, whenever in the judgment of the superintendent the management and condition of the bank is such as to render an examination of its affairs necessary or expedient, or whenever in the opinion of the superintendent the interest of the public demands an examination. The superintendent of banks also shall have the power to examine, or cause to be examined, every agency located in this state of any foreign bank, for the purpose of ascertaining whether it has violated any law of the state, and for such other purposes and to such other matters as the superintendent shall prescribe. The superintendent of banks and every examiner acting under or appointed by the superintendent shall have power and authority to administer oaths and to examine under oath any person whose testimony may be required on the examina-

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tion of any corporation or individual doing a banking business, or on the examination of any agency of any foreign bank, and shall have the authority and power to compel the appearance and attendance of any such person for the purpose of any such examination."

"Section 11. The superintendent of banks shall not visit or cause to be visited by an examiner, at stated times, any bank for the purpose of examination, nor shall the superintendent permit anyone to know at which times he will visit or cause to be visited any bank for examination."

"Section 15. All banks doing business within this state shall make to the superintendent, on the call of the superintendent for such report, not less than two reports during each year, according to the form which may be prescribed by the superintendent; such report must be verified by the oath or affirmation of the executive officers, or agents thereof, and in the case of a corporation, by the president or cashier or secretary."

I am not prepared to give an opinion as to taxation, as we have no banks in this state of which we do not know the capital stock. The banks in this state, whether private, partnership or corporation, are assessed in proportion to their capital, surplus and undivided profits on a graduated scale. The conditions of this state are so different from those in many other states that I would not support a movement for uniform state banking laws in all the states, as I do not think it would be practical.

I am not prepared to answer your 9th and 10th inquiries, as I am not thoroughly familiar with the Aldrich plan, but I do think that all states should have a separate banking department. The powers of the state bank commissioner in Alabama are ample under the law for the present.

New Banking Law in Nevada

Nevada has a new banking law which was adopted March 22, 1911. This law provides that any three or more persons, a majority of whom are residents of the state, may execute articles of incorporation and be incorporated as a banking corporation. When the capital stock of any bank has been paid in cash, the president or cashier transmits to the bank examiner a verified statement showing the names and places of residence of the stockholders and the amount of stock subscribed by each. The bank examiner thereupon examines into the affairs of said bank the same as if it previously had been engaged in business. If the examiner is satisfied that all of the requirements of the law have been met, he thereupon issues a

certificate authorizing the bank to engage in the general business of banking, upon payment of the regular license fee. The act provides that "No individual, bank, banking firm, trust company, corporation, company or other corporation, incorporated under the laws of this state or any other state or territory or foreign country, doing a banking business in this state, except banks doing business under the laws of the United States, shall engage in the banking business in this state without first obtaining from the bank examiner a license in the form prescribed by him, authorizing such individual, corporation, firm, company or trust company, to use the name and transact the business of a bank." It is also provided that all banking institutions and trust companies, which at the time of the passage of the act were organized as corporations, and doing business in the state, shall be permitted to continue such business as incorporated, but in other respects their business and the manner of conducting the same must be carried on in accordance with the provisions of the act.

Private Banks Included in Supervision

Section 8 reads as follows: "Hereafter no bank or trust company shall be organized, and no bank or banker shall be permitted to carry on business with a less capital than twenty-five thousand dollars, and the full amount of the capital stock of any bank or trust company must be paid in cash before it shall be authorized to commence business, or any individual banker permitted to be in or continue in business. No bank in this state shall hereafter open or maintain any branch bank or office. All of the provisions of this act shall be appli-

cable so far as may be to individuals, firm or associations, as well as to corporations."

Every bank in the state is required to make at least four reports each year, and oftener if called upon. These reports are made to the bank examiner, on the forms prescribed by him, verified by the oath or affirmation of the president, vice-president or cashier, and attested by the signatures of at least two of the directors. Each report must exhibit in detail, under appropriate heads, the resources and liabilities of such bank at the close of business on any past day specified by the bank examiner, and must be transmitted to him within ten days after receipt of a request therefor. They must be published in condensed form, within ten days after they are made, in a newspaper published in the county in which the bank is established. The bank examiner also has authority to call for special reports from the bank if he deem it expedient. If the bank fails to furnish the reports as requested, they are fined \$50 for each day's delay in so doing.

Section 67 of the act provides as follows: "It shall be the duty of the bank examiner, or one of his deputies, to visit each and every bank, subject to the provisions of this act, at least twice each year, and oftener if he deem it advisable, for the purpose of making a full and careful examination and inquiry into the condition of such bank, and for that purpose the bank examiner and his deputies are hereby authorized to administer oaths, and to examine under oath the owners, stockholders and directors, and all officers, employees and agents of such banks or other persons."

The Nevada law permits the state banking department to handle bank receiverships, the bank examiner immediately taking charge of all banks in the hands of receivers.

Kentucky Getting a New Law

The house committee on banking was addressed last week during the session of the Kentucky legislature at Frankfort, by John Stites, of Louisville. Mr. Stites is chairman of the committee on banking jurisprudence and information of the Kentucky Bankers Association, and went to Frankfort to urge upon the house committee the necessity of enactment of the bill proposed by the Kentucky Bankers Association for the examination and regulation of state banks. Following a session which lasted until after midnight the legislators resolved to report the bill favorably to the house, with one or two minor amendments which are entirely satisfactory to the K. B. A. The senate committee already has reported favorably

(Continued on page 25)

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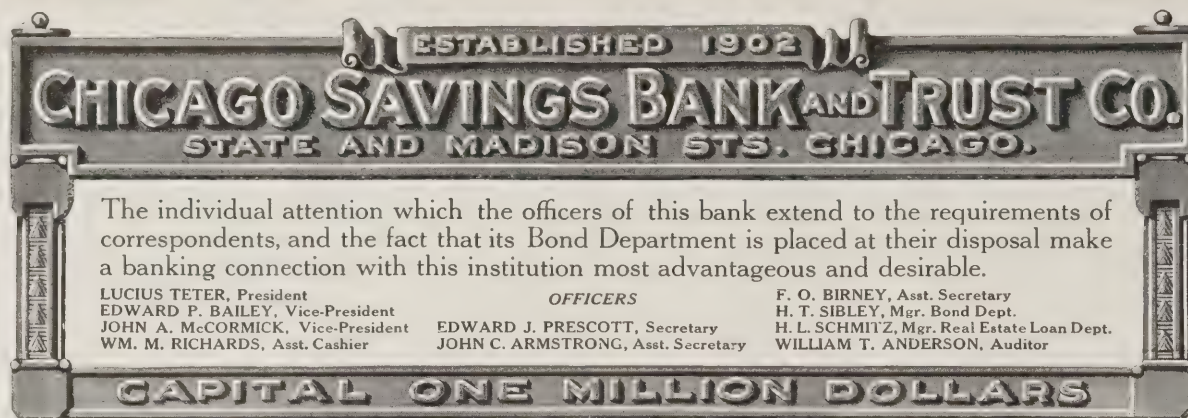
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CHICAGO SAVINGS BANK AND TRUST CO.
 STATE AND MADISON STS. CHICAGO.

The individual attention which the officers of this bank extend to the requirements of correspondents, and the fact that its Bond Department is placed at their disposal make a banking connection with this institution most advantageous and desirable.

LUCIUS TETER, President	OFFICERS	F. O. BIRNEY, Asst. Secretary
EDWARD P. BAILEY, Vice-President		H. T. SIBLEY, Mgr. Bond Dept.
JOHN A. McCORMICK, Vice-President	EDWARD J. PRESCOTT, Secretary	H. L. SCHMITZ, Mgr. Real Estate Loan Dept.
WM. M. RICHARDS, Asst. Cashier	JOHN C. ARMSTRONG, Asst. Secretary	WILLIAM T. ANDERSON, Auditor

CAPITAL ONE MILLION DOLLARS

ILLINOIS BANKING NEWS

By C. C. Burford

During the month of February the good roads and the high price of corn have caused a large amount of corn to be offered to the market. As many farmers were holding their last year's crop with the idea of getting sixty cents a bushel or thereabouts for their grain, a large number of them "let go" when this price was reached. Farmers have more funds on hands now than a few weeks ago. With the approach of the first of March a considerable amount of such money will be paid by farmers on their farm loans, and those who need to secure additional funds have arranged to make mortgage loans on or about the first of the month, which date is the financial cleaning-up time for hundreds of country bankers. Farm mortgage rates are quoted for the most part at five per cent with additional commission of one-half cent to two cents being charged. Rates, accordingly, vary from "5 and 1/2" to "5 and 2."

Harris to Address Student-Salesmen

B. F. Harris, president of the Illinois Bankers Association, is one of a number of speakers to a class in salesmanship organized by the Young Men's Christian Association of the University of Illinois. Mr. Harris will speak from the standpoint of the customer, and the subject of his address will be, "Getting the Interview."

New State Bank for Robinson

The state auditor has issued a permit for the organization of the Robinson State Bank with capital of \$60,000. Robinson is in the heart of the oil district of Crawford county and has enjoyed a rapid growth. This will be the fifth bank for this enterprising little city. The incorporators are Harry E. Green, David A. Melford, D. Everingham, Edward E. Lindsay, Manford E. Cox and Roscoe I. Richards.

Mural Decorations for New Bank

Professor Newton A. Wells of the architectural decoration department of the University of Illinois will paint a farm scene descriptive of the university farms in the interior of the Illinois Title and Trust Company's new bank building in Champaign. On one side will be a binder cutting the ripened grain, and on the other side will be the outline of certain university buildings. Certainly this is a fitting decoration for a bank in Champaign,

which city is located in the midst of both agricultural and educational surroundings.

Farmers Pay with Checks

As evidence of the almost universal use of checks by farmers is the record of a sale recently held near Kewanee. The proceeds of the sale amounted to about \$4,300, and only two dollars were paid in cash.

Public sales of live stock and farm implements during the winter months form a prominent part of the financial life of out-in-state bankers and farmers. Very frequently the cashier or assistant cashier of banks in the neighborhood are employed as clerks of the sale on account of their knowledge of local credits. The work is often a problem to bankers, as the exposure to a man accustomed to inside work is necessarily great and yet they wish to be of service to the mainstay of the community—the farmer.

Springfield Wants New Coin

The city commissioners of Springfield are supporting the movement started by the city authorities of Cleveland, Ohio, who demand a three-cent piece. The Springfield authorities have signed a resolution similar to the one supported by Cleveland urging that the Buckley bill now pending before congress be passed. The coin is desired in Cleveland on account of the three-cent street-car fare. Springfield has the regular five-cent fare, but doubtless the commissioners operating under the new form of municipal government now popular in the Central West desire to see the cheaper transportation extended to their city.

Citizens Bank of Tolono

Established in 1904 as the second bank in Tolono, the Citizens Bank of that town has now a most satisfactory clientele and an increasing business. The president, Isaac S. Raymond, is one of the large land owners of that prosperous region, and the vice-president, J. A. Corbett, is vice-president of the Citizens National of Decatur, and is well known to Illinois bankers. The cashier is A. B. Campbell, who by his various activities is one of the busy men of the community. Besides being cashier of the Citizens Bank, Mr. Campbell is postmaster, is editor and publisher of the Tolono Herald, and is engaged in the insurance, real estate, and loan business.

Banker Fights Chinch Bugs

C. D. Hoiles, president of the State Bank of Hoiles & Son of Greenville, is at the head of a movement to stamp out the chinch bug nuisance in his county. The citizens of Bond county are fighting the pest and Dr. S. A. Forbes, state entomologist and professor of entomology in the University of Illinois, is directing the scientific part of the movement. Mr. Hoiles is president of a prosperous bank organized in 1869 and converted into a state bank a year or two ago. He is well-known to bankers in southwestern Illinois.

Montelius Not a Candidate

John A. Montelius, president of the First National of Piper City, will not be a candidate

Hathaway, Smith, Folds & Company Commercial Paper

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Correspondence Invited

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TRUST
COMPANY
OF
NEW YORK**

**CAPITAL & SURPLUS
\$1,000,000**

Pays a rate of interest consistent with good banking

F. E. FARRELL Established 1864 **E. E. CRABTREE**
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Peoples Savings Bank & Trust Co.

Capital and Surplus \$400,000.00 Deposits over \$3,200,000.00

**Solicits Accounts and Collections from Banks,
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BONDS**

Burglary Insurance

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A. J. Earling John S. Runnells

John A. Spoor, David R. Forgan, Resident Directors
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**Joyce & Company
(Incorporated)
General Agents**

The Rookery Chicago



A Strictly Commercial Bank

IRVING NATIONAL EXCHANGE BANK

A Decade of Growth—Comparative

United States	1900	1910	Per Cent Increase
Population.....	75,994,000	91,972,000	21%
Wealth.....	\$88,517,000,000	\$125,000,000,000	41%
Money Circulation.....	2,055,000,000	3,180,000,000	54%
Savings Bank Deposits ..	2,389,000,000	4,070,486,000	70%
National Bank Deposits ..	2,458,000,000	5,287,216,000	115%
Bank Clearings, U. S.....	84,582,000,000	158,559,487,000	87%
Bank Clearings, N. Y.	51,964,000,000	99,257,662,000	91%

Irving National Exchange Bank

	1900	1910	Per Cent Increase
Capital.....	\$ 300,000	2,000,000	566%
Surplus and Profits	100,900	1,797,900	1681%
Deposits.....	3,446,500	28,360,200	722%
Assets.....	4,108,800	33,347,200	711%

OFFICERS

JAMES E. NICHOLS, V.-Pres. LEWIS E. PIERSON, President
 DAVID H. G. PENNY, Asst. Cash. ROLLIN P. GRANT, V.-Pres. BENJ. F. WERNER, V.-Pres.
 HARRY E. WARD, Cash. J. FRANKLYN BOUKER, Asst. Cash.
 RICHARD J. FAUST, Jr., Asst. Cash.

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**Auditing and Systematizing
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Leading Bond Houses dealing in Gas, Electric and Railway Securities

to succeed himself as a member of the lower house of the state legislature. Mr. Montelius has resided in Piper City since 1866 and entered the banking business there in 1873. The citizens of the "Panhandle," as the northern projection of Ford county is called, presented him in 1902 with a handsome gold badge set with diamonds and pearls bearing the inscription, "A token of esteem to John A. Montelius from his many friends in the Panhandle for his courteous and honorable dealings, while in business during the past years."

Epidemic of Forgeries

Down-state bankers report a flood of forgeries during the past few weeks. Bloomington, Lincoln and Springfield report trouble and a number of arrests have been made. A humorous side of the situation in Springfield was presented when an alleged forger on trial arose from his chair and quietly walked out of the circuit court room. Efforts to locate the escaped criminal were fruitless and his "get-away" was an easy one.

New Jefferson Opened

Bankers who plan to attend the 1912 convention of the Illinois Bankers Association probably to be held in Peoria will be interested in knowing that the New Jefferson Hotel in that city is now in service. The new hostelry cost half a million dollars, and is one of the best equipped hotels in the Central West. Governor and Mrs. Deneen attended the opening, which was recently held.

Banker Wins Suit

J. W. Quilen, a banker in Ipava, west of Peoria, whose bank failed in May, 1908, has been acquitted in the Fulton county circuit court at Lewiston on the charge of receiving deposits after knowing that his bank was insolvent. He was acquitted on technical errors.

Hamilton Sells Bank Interests

George H. Hamilton, president of the First National of Watseka, has sold his interests in that institution consisting of 260 shares of the total 500 shares. The control of the institution is again in the hands of the McGill family, who started the bank. Porter Mation will be elected president in place of Mr. Hamilton. The latter will enter the banking business again, probably in Kansas or Oklahoma.

William B. Ridgely in Springfield

Among the visitors at the annual Lincoln Day banquet in Springfield was William Bar-

ret Ridgely, a member of the well-known Ridgely family of that city and himself formerly actively engaged in the banking business in Springfield.

Illinois Notes

Seventy-five new postal banks have been designated in Illinois and within a few weeks all of the third-class postoffices will be savings banks.

DeLong Brothers, operating the Bank of Sadorus, a few miles east of Decatur, have plans drawn for a new bank building to replace the one recently destroyed by fire.

The First Finance and Trust Company of Streator, organized with a misleading title as a banking institution for the purpose of promoting factories, has, according to press reports, "fizzled," leaving small stockholders "to hold the sack" for \$4,500.

The National Implement and Vehicle Show held in Peoria is one of the established features of social and commercial life in Peoria and very ably demonstrates that city's strength as a banking and business center.

Jackson R. Pearce, vice-president of the Ricker National of Quincy, has been called to Peoria as a witness in behalf of Charles Wheat, a bond salesman, who was charged with a confidence game by Miss Ellen Green of Mossville. Wheat was acquitted.

Harry M. Lott, formerly of Bloomington, has been named cashier of the State Bank of Saybrook.

Tuscola will entertain the Douglas County Bankers Association February 22d, with the usual business session and banquet. Group 6 of the Illinois Bankers Association will also meet in Tuscola some time in May.

Texas Plans

The executive council of the Texas Bankers Association will meet on the 22d of February to decide upon the San Antonio program. Secretary Hoopes says they are planning "to have a real good convention."

Mrs. J. L. Slocum, wife of James L. Slocum, president of the Richardson County Bank of Falls City, Neb., died at that place February 12th.

BANK CONSOLIDATION AT FARGO

Fargo, February, 12.—The Northern Trust Company and the Northern Savings Bank of this city have taken over the savings bank business and the bonding business of the Fargo Bond and Trust Company, which has been operating in the North Dakota Improvement building on First Avenue north. The savings business of the concern will be taken over by the Northern Savings and the Northern Trust Company will conduct the bonding business of the old company.

One-third of the bonding business is reinsured with the Dakota Trust Company of this city and the Northern Trust Company also reinsures one-third of the bonding business with the Northwestern Trust Company of Grand Forks. The Northern Savings in taking over the savings bank business of the Fargo Bond and Trust Company assumes all liability to depositors.

This transfer has been rumored for some time, but the change was not effected until last night, when a meeting of the stockholders and directors of both concerns was held. The business was taken over by the Northern Trust Company to-day. Treasurer H. P. Beckwith of the Northern is a member of the A. B. A. council and enjoys a national acquaintance among bankers. The president is Geo. H. Hollister, vice-president is F. F. Grant.

BANK GUARANTY FUND GROWS

Austin, Texas, February 12.—In a statement issued by B. L. Gill, state bank commissioner, it is shown that the state bank guaranty fund amounts to \$581,275, of which \$145,347 is in cash with the state treasurer and 435,927 is deposited with the banks participating in the fund. From new annual payments of the old banks and readjustment of payments of banks organized less than a year ago, a net gain of \$61,309 was made. Since November 1, 1911, the beginning of the guaranty fund year, twenty-five new banks, paying \$25,215, have been organized and seven banks have voluntarily liquidated and have drawn out \$7,159, showing a net gain of \$18,055.

TEST YOUR SEED CORN

Secretary P. W. Hall of Iowa has sent out cards telling bankers to "brush up" the farmers on testing their seed corn. "One bad grain to the hill cuts the crops 25 per cent" is the slogan in Iowa.

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President
L. C. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
J. M. HAYES, Assistant Cashier
WILLIAM K. ADAMS, Auditor

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Charles Schriber
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith

BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

Owing to the unprecedented cold weather the Second Ward Savings Bank will not be able to enter its new building at West Water and Cedar streets until January, 1913, according to Vice-President Elser of the institution.

"The contractors were forced to abandon all work on the building during the greater part of January and this delay, with others of less serious nature, will put forward the probable date of the building's completion from September, when we expected to enter it, to January of next year," said Mr. Elser. The bank is experiencing no difficulty in carrying on its activities, however, as the present temporary quarters answer all requirements as fully as did the old building on the site of the present new one.

First National to Erect New Building

Permission will be given the First National Bank to erect its contemplated 16-story building at East Water and Mason streets, when an ordinance, drafted by the city building code commission, is enacted by the common council at its next meeting. The new ordinance provides that the maximum height of buildings shall not exceed 225 feet on the lot line, and will replace the old one providing that buildings should be no higher than the width of the street upon which they face. The enactment of the ordinance will conclude an imbroglio of several months duration regarding the validity of certain ordinances relating to building in the downtown district.

Merchants and Manufacturers

Officers of the Merchants and Manufacturers Bank have decided not to add two more stories to their new structure on West Water Street between Grand Avenue and Wells Street, following a conference with the building inspector. The original plans provided for only a two-story structure, then a change was made to eight stories. The final change in the plans would increase the erection cost \$40,000, making an aggregate expenditure upon the new building of \$250,000.

Teacher Conducts Smallest Savings Bank in Milwaukee

The smallest savings bank in Milwaukee is conducted by a teacher of sixth district school No. 1, who, despite the originality of her scheme, refuses to allow her name to be used. The depositors are the boys and girls in her classes and the deposits, which are received daily, range from one to ten cents, rarely more. There are more than thirty depositors, all of whom began their accounts with one cent or a nickel. No interest is paid, but the teacher believes that the depositors gain untold benefits from the bank in increasing immunity from the temptations of unwholesome candy and cheap, undesirable places of amusement. Several of the accounts which have swelled to considerable proportions since the opening of the school year have been recently withdrawn to defray the expenses of shoes, clothing, and other articles of more than

ephemeral worth. One feature of the school bank is that since it was instituted the teacher has failed to discover a single boy or girl chewing gum or candy during the recitation period.

To Double Postal Savings

Postmaster David C. Owen believes that the postal savings deposits in Milwaukee, amounting to \$135,000, could be doubled if depositories were established in the postoffice sub-stations in outlying parts of the city. At present the postoffice in the federal building is the only depository in the city.

Prof. Butler Speaks on "Bank and Financial Advertising"

Prof. R. S. Butler of the University of Wisconsin addressed the Milwaukee Advertisers Club Friday night on "Bank and Financial Advertising." This form of advertising, according to Mr. Butler, is one whose importance is just coming to be realized and one in which the acknowledged standards of salesmanship should be embodied in just as appealing a manner as they are in mercantile and other advertising.

Wisconsin Notes

The new officers of Group 1, Wisconsin Bankers Association, elected at a recent meeting at Eau Claire are: President, W. A. Blackburn, Bruce; vice-president, E. J. Lenmark, Eau Claire; secretary and treasurer, W.



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

OFFICERS AND DIRECTORS

JAMES K. ILSLEY, President	J. H. PUELICHER, Cashier
JOHN CAMPBELL, Vice-President	H. J. PAINE, Assistant Cashier
F. X. BODDEN, Assistant Cashier	S. H. MARSHALL
G. A. RUESS, Mgr. South Side Branch	R. N. McMYNN
J. H. TWEEDEY, Jr.	C. C. YAWKEY
GUSTAV RUESS	

E. Brady, Rice Lake; executive committee, F. J. Carr, Hudson, and L. A. Copeland, Hudson.

Last Monday saw the opening of the Merchants and Savings Bank, Madison, in its new quarters in the Kirch block, 23 West Main Street. The interior is furnished in white marble, mahogany, and bronze. One of the features of the new building is a reinforced concrete steel-lined vault.

"The growth of the bank in the year and a half of its existence has justified the step we have taken," said Cashier Milo C. Hagan on the occasion of the opening, "and the officers and directors feel very much encouraged as the result of the business which has been built up during that time." The officers of the bank are: President, A. M. Stoddall; vice-president, T. C. McCarthy; cashier, Milo C. Hagan.

The First National Bank of Chicago has been approved as the reserve agent of the Batavia National Bank, La Crosse, Wis.

A man giving the name of J. C. Smith was apprehended in Stevens Point by Sheriff Guyant this week, on the charge of passing a forged check drawn on the State Bank of Goodhue, Minn.

The following Wisconsin postoffices have been designated by the postoffice department at Washington to become postal savings depositories to be opened March 8th: Durand, Hartland, Wausaukee, and Westfield.

GROUP 7, IOWA

Group 7, Iowa, will meet on same day as Group 7, Illinois—Washington's birthday. Tama and Toledo will be the places of meeting. The morning session will be at Toledo court house at ten o'clock and dinner will be served at one o'clock at Soleman's opera house in Tama.

The morning address will be by A. F. Dawson of Davenport, and in the afternoon Ernest R. Moore of Cedar Rapids and Arthur White of Vinton will talk. There will be a quartet and interesting short feature talks. The banks of Tama and Toledo join as hosts. Geo. D. McElroy of Vinton is president and B. E. Hakes of Williamsburg is secretary.

The Guaranty State Bank of Longview, Texas, was opened for business last week, which makes the fourth bank in that town. G. A. Bodenheimer is president, A. A. Batson, vice-president, and G. C. Finch, cashier.

Kansas Plans

Kansas will hold her silver wedding at the Topeka convention, May 23d and 24th. There will be given some prominence to this feature, though of course they do not intend to make the whole convention that by any means, but it will be made the occasion to mark the 25th mile stone in the life of the association—a sort of quarter-centennial celebration. The sessions will be held in representative hall, Capitol building. As a great many will come the afternoon before, the first meeting will be really on the evening of the 22d. It will be in the nature of an informal reception with some speech making and a general good social time, and will be given more especially in honor of the 60 original organizers of the Kansas Bankers Association, all Kansas bankers and guests participating.

The whole program is not yet slated up, but Secretary Bowman has engaged Professor J. Laurence Laughlin of the University of Chicago to conduct the discussions on currency reform. The greater part and perhaps the whole of a half-day session will be devoted to this and to the general floor discussions—questions and answers, etc., that will follow.

They are expecting Hon. Wm. Livingstone, president of the American Bankers Association, and will ask him to speak on "Banks as Factors in the Development of a State." Wm. J. Burns, president of the Burns National Detective Agency, has promised to be present and will address the convention on "Modern Protection for Banks."

Mr. Bowman has invited Hon. Jas. J. Hill but has not as yet had time to hear from him. Hon. J. N. Dolley, bank commissioner, will speak on "Departmental Regulations." There will be matters historical and reminiscent introduced; some of the subjects will perhaps be assigned but for the most part these will be participated in generally by the members on the floor. A sort of an omnibus legislative topic will be presented. The discussion will be by some one to whom it is yet to be assigned and general participation invited. The topic will probably be as follows:

"Shall the Kansas Bankers Association favor"—(a) The repeal of the federal bankruptcy law; (b) Modification of existing exemption laws; (c) A deed of trust law; (d) Mortgage tax law; (e) Law permitting na-

tional banks to loan on real estate and others perhaps will be added.

The movement among bankers associations to promote agricultural education and development also will be among the subjects to be presented by some one to whom it is yet to be assigned. Judge C. E. Lobdell of Great Bend will discuss a series of selected legal questions.

Topeka bankers are preparing to entertain the convention magnificently from beginning to end. There will not be a moment when they will not have the pleasure and comfort of their guests their chief concern. The one chief feature of social entertainment will consist of a theatre party that will be given on Thursday night, May 23d, in the Grand Opera House, complimentary to all the visiting bankers and guests. This entertainment will be distinctively high class and will as stated be reserved exclusively for delegates and guests.

In connection with the convention the building and loan associations of Kansas, which compose what is known as the B. and L. Section of the Kansas Bankers Association, will hold their annual convention in the supreme court room.

Also the usual separate session of the ladies, by the ladies and for the ladies, will be arranged for. This has come to be one of the features of the Kansas convention. The session is not merely a butterfly affair—it is a full half day session filled with a program of literary and musical numbers, chiefly the former, in which none but ladies participate and none but ladies attend. They will not even allow the good looking secretary of the Kansas bankers to enter their presence. The ladies have no organization but such a meeting in their interests always is prepared for them, some lady (wife of a Kansas banker) is chosen to preside and others to present in papers the subject assigned. The musical and other entertainment numbers are provided locally. The ladies representing the banks of Topeka make it their special delight to entertain these ladies socially in connection with this ladies' meeting.

The foregoing presents the features of the program so far as at present outlined, subject, of course, to changes, and shows Secretary Bowman to be quite up to his splendid reputation.

A postal savings bank has been ordered established at South Omaha on March 1st.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

JACKSON JOHNSON, Vice-Pres.
FRANK O. HICKS, Vice-President

JEHROH CATLIN, Vice-President
J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, February 14.—Bankers here report continued quietness in the general demand for credits, but with germs in the situation which point to a slight improvement and hardening of rates. The inquiry from the country is not quite so stagnant as has been the case for the past few months, and the local commercial demand begins to show more signs of a return to life. It is argued that there must be a turn, on the principle it is a long lane that has no turning. But, in addition to this comforting motto, there are specific indications that the next two or three weeks will uncover some good borrowing. Even the hand to mouth policy, which has been in force for so long, will result in revival, as merchants and large corporations have lived on their tissues so long that the time has come when the tissues must be renewed, or the body politic devour itself, as when a snake tries to swallow itself, beginning at the tail. During the past week or ten days fair payments have been made by the South on cotton loans, the slight improvement in the cotton market affording an opportunity for selling, but there is still quite a lot of loans of that character scattered throughout the South and Southwest. Clearings are beginning to pick up, and are now running well over those of the corresponding period a year ago, after several weeks of losses. Deposits are holding their own in good shape, and collections are reported for the most part as being satisfactory, though there are still backward spots, notably south of the Mason-Dixon line.

Merchants More Optimistic

A canvass of the big wholesale district developed more optimism than has been noted for some time. Buyers are beginning to arrive in goodly numbers, and sales for the month thus far are well in excess of expectations. A notable feature is that Iowa and Nebraska are sending more buyers here for the spring trade than ever before. This is shown by the purchases of tickets from those states made through the Interstate Merchants Association. Texas, however, has sent more merchants thus far than any other one state.

Oklahoma Bankers Dates Set

Meetings of the five groups constituting the Oklahoma State Bankers Association will be held beginning February 19th, with Group 4, at Okmulgee; Group 5, will meet at Ada on February 20th; Group 3, at Shawnee on February 21st; Group 1, at Clinton on February 22d, and Group 2, at Enid on February 23d. As has been the case for a number of years, a good representation of St. Louis bankers will

attend these conventions, and talent from this city has been spoken for to deliver speeches before the Oklahoma bankers.

Scanlan Successor Named

Advices from Newburg, Mo., state that on account of the continued absence of John W. Scanlan, president of the Newburg State Bank, the state banking department at Jefferson City requested the board of directors of that institution to elect his successor. The board elected H. A. Root. B. H. Rucker of Rolla was chosen a member of the directory. Mr. Scanlan, who organized the Newburg Bank, and who had served as its president from the organization, mysteriously disappeared when making a trip to his farm, ten miles north of Newburg, December 19, 1911, and has not been heard from since. A reward of \$500 has been offered by his family for his recovery dead or alive, and incessant search has been made ever since his disappearance.

State Treasury Statement

The monthly statement of the state treasurer of Missouri shows a balance on hand of \$3,603,683, which is held and deposited as follows: Cash in treasurer's vault, \$11,078; First National, Jefferson City, \$178,463; Exchange Bank, Jefferson City, \$177,566; German American Bank, St. Louis, \$327,956; Mississippi Valley Trust Company, St. Louis, \$2,720,064 and National Bank of Commerce, Kansas City, \$188,545. There has been received into the Capitol building fund, from the sale of bonds, \$232,500. Of this amount \$130,886 has been disbursed, leaving \$101,613.

Laclede Gas Company

Gross earnings of the Laclede Gas Light Company, according to the recent statement, decreased 3.5 per cent for the past year, but the net earnings increased \$1,439,439, so that the year is considered a successful one. The total gross was \$4,342,036, a decrease of \$159-

087 from 1910. This, it is set forth, was due to a recent reduction in the price of gas. The net earnings for the year were \$1,965,517.

New Barge Line Taking

The new barge line project, to connect St. Louis via the Mississippi River, with New Orleans, is gaining in favor daily with all classes of business men here. Subscriptions, unsolicited in numerous instances, continue to pour in, and in all likelihood the end of the present month will find the entire capital subscribed for. If this is accomplished, the company will at once go through the routine of formal incorporation, and at once purchase three steel barges and one iron-bottom towboat, on which options have been obtained. All the stock is being sold at par.

International Bank

The International Bank has taken a long lease on the old quarters of the Fourth National, at Fourth and Olive streets in the Rialto building, and will move as soon as alterations and improvements are completed. The site occupied at present by the International Bank will be occupied by the new United States subtreasury building. President Meier of the International says that the new quarters of his institution will be as up to date as any in the West. While not as large as many other St. Louis banking rooms, it will be equipped with every modern convenience and appliance for conducting a banking business.

American Bankers Affairs

Advices received at St. Louis this week indicate that the end of litigation, as a result of the fight for control of the American Bankers Assurance Company, is in sight. This corporation, which has a capital of \$10,000,000, has been more or less involved in legal difficulties, for more than a year past. The special master, in the case of the state of Delaware against the company has filed a report with Chancellor Curtis, recommending that the attorney-general's motion for the appointment of a receiver be denied. If this is approved, the suit brought by the state will fall. The troubles of the company resulted from a fight for control between various factions and officers. It happens that the concern was floated at an unhappy time, as the failure of sundry insurance corporations newly organized made it a difficult matter to interest capital in new enterprises which dealt in insurance of any kind.

Missouri-Lincoln Trust

The committee which is working out a reorganization for the old Missouri-Lincoln Trust

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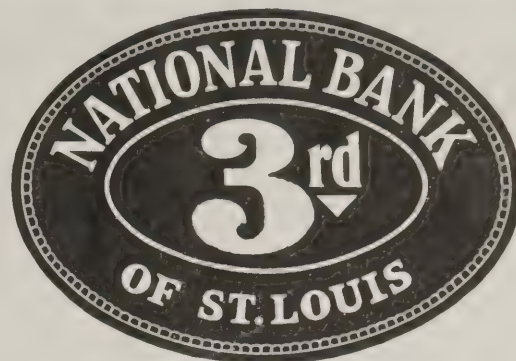
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Company has virtually agreed upon a plan providing a capital stock of \$1,000,000 for the new institution, which is to be known as the Missouri Savings and Trust Company. This is a larger capitalization than provided in the original plan and the committee believes it is more certain to insure success in the new enterprise than would a smaller initial capital. The members are still busy working out details and the completed plan will not be presented for a week or two more. As in the original plan, it is proposed to reduce the capital stock of the Missouri-Lincoln from \$2,500,000 to \$500,000 and exchange this for stock in the new corporation, each share holder getting share for share. To raise the additional \$500,000 each stockholder will be entitled to subscribe his pro rata of the additional shares at par, paying cash. This will furnish a new capital of \$500,000. The committee is arranging to underwrite such portion of the stock as is not taken by the present stockholders. Hanford Crawford is chairman of the committee.

SAVINGS BANKS FOR NEGROES

There are now 57 negro savings institutions in this country. Tennessee has four, Alabama seven, Georgia four, Mississippi 11, Virginia 11, Texas six, North Carolina six, Florida, South Carolina and Maryland one each; Oklahoma two, Pennsylvania and Massachusetts have one negro bank each and Illinois two, these being the only four in the North. Deposits in negro banks aggregate \$5,200,000, and their capital stock is \$1,600,000. The first negro bank was organized at Richmond, Va., in 1888, and the second at Birmingham, Ala., in 1890.

Oklahoma Plan

Enid, Oklahoma, February 12.—One hundred thousand booklets on the value of Kaffir corn as a farm product and substitute for Indian corn will be distributed this month by the Oklahoma Bankers Association through its members. The pamphlets are now in press. They contain sixteen pages, most of the reading matter being the text of an address by J. B. Adams, cashier of the Butler County Bank, El Dorado, Kansas, who has been invited to address the meetings of the five groups into which the association is divided this month.

W. B. Harrison, secretary of the Oklahoma Bankers Association, who has been pushing the Kaffir corn movement, says that the result of sending out this literature unquestionably will greatly increase the deposits of banks all over Oklahoma because of the good that will result from better farming. In Butler county, Kansas, after repeated crop failures the banks united at Mr. Adams' suggestion in a demand that the farmers plant a certain proportion of Kaffir corn instead of Indian corn, and made this demand a condition of loans to the farmers. The result, as told by Mr. Adams in his address, is a wonderful story of continuous prosperity and complete avoidance of crop failure. When Indian corn and other crops have been a complete failure owing to hot winds and drouth the Kaffir has "stood like a lone sentinel on the prairies," and enriched those who planted it.

Mr. Harrison reports that Oklahoma bankers are co-operating splendidly in this movement, which was first suggested to the association by its president, T. J. Hartman of Sulphur, and it is anticipated that the Oklahoma bankers will

follow the example set in Kansas and make the planting of a small acreage of Kaffir corn a condition of loans to their farmer customers. In the last habitat of the Red Man, the abandonment of the Red Man's corn seems an anomaly, but the bankers are learning from experience that Kaffir is the most dependable crop, and they intend teaching this to the farmers.

ESSENTIAL POINTS GOVERNING FINANCIAL VALUE OF ENGINEERING PROPERTIES

S. R. Schaff, the well-known New York civil engineer, has written a very timely and exceedingly interesting book on the "Essential Points Governing the Financial Value of an Engineering Property," which essays to explain the influence of the engineer on the financial success of various large public or quasi-public properties such as railroads, water-supply systems, hydraulic power systems, irrigation enterprises and the like. The importance of the engineer and his report, with particular respect to its bearing on the question whether the property will return a satisfactory income on the investment, is brought out. The writer has wisely ignored technical reasoning and writes in a manner that is well understood by the investor as well as the skilled engineer. The work is printed by the Richardson Press, New York City.

According to S. P. Berry, chairman of the Fort Worth entertainment committee, 600 Texas bankers are expected to attend the seventh district association, which meets at Fort Worth, February 22d.

Editorial Comment

WHY HESITATE LONGER?

In our symposium of opinions (see this and last week's issue) furnished by the leading state banking superintendents frequent reference is made by those officials to the fact that all of the really effective new banking laws passed in this country in the last ten years have been prepared and piloted through the legislatures by the various state banking associations. This last week only a committee of the Kentucky Bankers Association spent the entire week before the legislature at Frankfort, and so effectively did they work that their new bill, practically without change, was reported favorably by the committee on banking from both the house and the senate. The new bill in Alabama was pushed through the legislature by the Alabama Bankers Association, which even held its yearly session at Montgomery, while the legislature was in session. Practically the entire body of the association attended the hearings of the committees on banking, and secured for that state a very admirable law. The coming May session of the Alabama association, to be held at Mobile, is to be given up almost entirely to a discussion of possible further benefits to be secured by amendments to the law, which was adopted one year ago. The state superintendent of banking for that state commends the state association very highly for the course which it pursued. When Minnesota obtained her new law, it was accomplished as the result of a prolonged battle with adverse interests throughout the state. The state association not only maintained a committee at the capital, but published a daily bulletin or paper putting forth the strongest arguments which could be made by the leading bankers of the state in favor of universal bank supervision. Wisconsin did almost exactly the same thing, except that it did not publish the bulletin. It kept a strong committee and its active secretary at Madison during almost the entire session of the legislature. Briefly these facts might be repeated as to how the thing was done in Missouri, Indiana, Michigan and Pennsylvania. Almost the same efforts have been made heretofore in Tennessee, Kentucky, Arkansas and one or two other states, where the result was either failure or a drawn battle. The opposition in almost every instance came not from the public, nor from any business interests in the state, but from those who were reaping illegitimate profits from a loosely conducted, free-for-all banking business, accompanied by innumerable failures, with total losses to the depositors in almost every instance.

Within one week Chicago has had two private bank failures. Putting all questions of dishonesty aside, and charging these two failures to inexperience, and lack of ability as well as capital, the result, in the light of above experiences, must be laid at the door of the Illi-

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

nois Bankers Association. It has been shown by the records quoted in this paper in the last two issues that all of the remedial bank legislation passed within the past ten years has been done at the instance of organized state bankers association. In addition to those named one might mention Nebraska, Oklahoma, Washington, Kansas, Texas, California, and a long string of states, where the state organization prepared bills and fought them through to a place on the statute books. All of this history of the movement for better banking gives the credit, where it has been accomplished, to the state bankers association, and naturally enough where nothing has been done toward state su-

pervision, the shortcoming must be charged up to a lack of enterprise on the part of the state association. Every important newspaper in the state of Illinois has commended the movement started by President Harris of the Illinois Bankers Association, toward having a new banking bill for Illinois with state-wide supervision. The fact that there were enough private bankers present at the meeting of the executive council at the Blackstone Hotel (assisted by representatives of large reserve banks, which court their business) to vote down a motion proposed by Mr. Harris only has stirred up the public press of the state and the public generally who want to know why Illinois must remain longer at the rear end of the procession of states. The vote which was cast at the Blackstone has been carefully tabulated, and the direct or affiliated interest of every man who cast his vote will show to the satisfaction of anyone that it was the vote of private interests and not of public good that put a negative recommendation upon the movement for better banking conditions. On this page will be found a splendid editorial from the Chicago Tribune of Tuesday last, giving further evidence that the powerful newspapers of this state can be depended upon to assist a movement which now appears to be under full swing, and which should culminate in the presentation of a carefully prepared banking bill before the next legislature at Springfield.

Convention Dates

VERMONT—Montpelier, February 22; Secretary, F. R. Dickerman, Bristol.

TEXAS—San Antonio, May 7, 8 and 9; Secretary, J. W. Hoopes, Austin.

OKLAHOMA—Tulsa, May 10 and 11; Secretary, W. B. Harrison, Enid.

ARKANSAS—Little Rock, May 14 and 15; Secretary, Robert E. Wait, Little Rock.

ALABAMA—Mobile, May 17 and 18; Secretary, McLane Tilton, Jr., Pell City.

MISSOURI—Joplin, May 21 and 22; Secretary, W. F. Keyser, Sedalia.

KANSAS—Topeka, May 23 and 24; Secretary, W. W. Bowman, Topeka.

CALIFORNIA—Long Beach, May 23, 24 and 25; Secretary, F. H. Colburn, San Francisco.

NEW YORK—Buffalo, June 13 and 14; Secretary, William J. Henry, New York City.

MINNESOTA—State Agricultural College, St. Paul, June 14 and 15; Secretary Charles R. Frost, Minneapolis.

PENNSYLVANIA—Bedford Springs, June 18 and 19; Secretary, D. S. Kloss, Tyrone.

VIRGINIA—Old Point Comfort, June 20, 21 and 22; Secretary, Walker Scott, Farmville.

SOUTH DAKOTA—Belle Fourche, June 26 and 27; Secretary, J. E. Platt, Clark.

NORTH DAKOTA—Jamestown, June; Secretary, W. C. Macfadden, Fargo.

WISCONSIN—Milwaukee, July 24 and 25; Secretary, George D. Bartlett, Milwaukee.

American Institute of Banking—Salt Lake City, Utah, August 21, 22 and 23; Secretary, A. C. Dorris, Nashville, Tenn.

American Bankers Association—Detroit, week of September 9-14; Secretary, Fred E. Farnsworth, 11 Pine Street, New York City.

URGING BANK SUPERVISION

That the powerful elements among the Chicago dailies can be depended upon to help Illinois to a new banking law giving state-wide supervision is evidenced by the following strong and ringing editorial from the Chicago Tribune of Tuesday last. It says:

The failure of another private institution which in the absence of proper legislation has been permitted to do business under the reassuring name of "bank" emphasizes once more the urgent need of reform in Illinois in this respect. Coming sharp on the heels of the unsuccessful attempt by President Harris of the Illinois Bankers Association to induce the executive committee of that organization to endorse legislation bringing under supervision all banking institutions in the state, the collapse of the Wilson Avenue Bank is a timely lesson.

At the same time the Tribune is revealing day by day the evils of the loan shark business, another form of banking that needs drastic handling.

In this situation the public will look especially to the great Chicago banks to prove their sense of public responsibility and professional honor by taking a lead for this reform. President Harris and the men who are supporting him should be given open and strong support.

The leading Chicago bankers recognize not only the advisability of federal and state supervision, but they maintain the even more rigid examination of the clearing house. It is perfectly natural, therefore, that they should



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support the movement for general supervision of all banking. With their assistance legislation will be enacted that will bring Illinois into line with virtually all other states. Not to do so would be to evade their responsibilities as citizens as well as bankers.

Every other important paper is on record, not only those in the city, but those in the country towns. "Only start it," writes a Peoria editor, "and give us a chance to show our position in the matter." From Quincy an editor writes: "I've been for state supervision for twenty years. Enough poor people have been swindled out of their misplaced deposits to total an amount which would pay off the national debt." And thus it goes. Give the papers of the state a good bill to fight for, and the battle is half over.

MOVEMENT UNDER WAY FOR ELEVATION OF THE STANDARD OF THE CHICAGO BAR

A very much needed movement for the elevation of the standard of Chicago's legal fraternity is now under way. Investigation is to be made of those attorneys who take advantage of the pauper fees act, those who make themselves conspicuous about the jails, endeavoring to secure business from the class of unfortunates confined therein; those who watch the files in bankruptcy cases in the federal courts and the files of new suits in the various courts, and who send cards to the defendants in such suits, stating that they have special information of importance to them relative to the suit, etc.; "ambulance chasing" lawyers and law clerks practicing without a state license. The Chicago Bar Association is busily engaged in this laudable enterprise, and it is expected that charges will be filed against various attorneys for unethetical conduct, and in some cases that disbarment will result to the offenders. It is greatly to be deprecated that the majesty of the law should be sullied by practices of attorneys of this character, and greatly to be desired that the above movement shall be prosecuted vigorously and the undesirables eradicated from one of the greatest of professions.

BANKS UNDER SUPERVISION

During the past four or five years a great many state banks have been established to accommodate the outlying business districts

of the city of Chicago. Nearly all of them have been money-makers from the start, and their growth continues at a rapid rate. These new state banks have been established largely in locations which heretofore have been served by unincorporated, private institutions. As a rule, the new banks have made much of the state supervision feature in all of their advertising, and most of them have included it in their window signs. The Old Colony Trust, almost in the shadow of the loop, has thought it to be a strong point. You will find in looking at their windows that it is sated: "Under state and clearing house supervision." Another institution, which has a private bank for a neighbor, is the Kenwood Trust and Savings Bank at 47th Street and Grand Boulevard. It states conspicuously on its window the following: "Under state supervision." We are told that this is the rule rather than the exception with all of the newer state banks which have been incorporated recently in this state; therefore, it must be considered a strong talking point with the public. If it is good advertising for the state bank, it is a good doctrine for the state, and argues in favor of the bill proposed by President Harris and his associates in the Illinois Bankers Association.

WHAT WARE & LELAND PREDICT

The big firm of brokers, Ware & Leland, in their weekly letter, which they send free on request say that "in general, we look for a continuation of the present dullness, with perhaps a tendency towards a lower level. The big interests are not in sympathy with the market, and are doing very little, except to support stocks when very weak."

The American Exchange Bank of Elkhart, Texas, has closed its doors and refused deposits.

KANSAS BANKING CONDITIONS

Bank Commissioner J. N. Dolley sums up as follows: Banking and business conditions in Kansas for January, 1912, exceeded expectations. Bank deposits have increased. Money has been in strong demand at reasonable rates for legitimate business purposes. The retail and general trade has been normal with the usual quiet pulse of the first month of the year.

The conditions of the 1912 wheat crop are most flattering, and one of the most promising in the history of the state. Whatever may be the finish, we have in sight to-day a wheat crop of from 100,000,000 to 125,000,000 bushels. The crop prospects for the current year are very pleasing. The farmers are beginning to talk and get ready for spring work.

The Kansas banker has become quite inquisitive in his relationship with the borrowers of the funds of the banks, requiring much information as to what the borrower intends to invest the money in that he calls upon the bank for. This is correct and good banking.

While credit is the greatest power in the business and banking world for success, it is also a dangerous privilege with many people. The banker is often a better judge than the borrower, as to whether he is borrowing money for a probable successful venture. And often the banker is as deeply interested, and possibly more so, as to the wisdom and success of his customer's undertaking. The banker is loaning funds that do not belong to him. They are sacred or trust funds, so to speak, of his depositors, and he should in every loan eliminate as far as possible the loss of those funds, and discourage in every way recklessness and bad business, and reduce it to the lowest possible minimum. He is the keeper in trust of his brother's purse, and under the statute takes solemn pledge that he will keep that trust most sacred.

I congratulate the Kansas bankers upon their being allowed the privilege to do a banking business in Kansas. No state in the Union offers the possibilities and rich future for banking and all other lines of business as does Kansas. If you cannot succeed in Kansas, do not blame Providence and your luck, because I do not believe you would succeed anywhere.

STATE BANK CHARTER REFUSED

Superintendent Van Tuyl, of the New York state banking department, has refused to approve a certificate of authorization to do business, filed by the Lincoln Bank of Barker, Niagara county, N. Y. There is a bank at Barker at present, and Superintendent Van Tuyl holds that it would be expedient to have two institutions in so small a place.

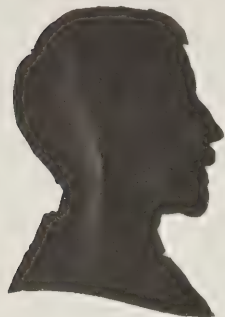
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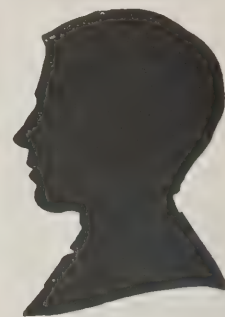
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BANKER GIVES UP FIGHT ON EXTRADITION

Oklahoma City, Okla., February 15.—H. A. Burrell, formerly a banker of Brownstown, Ind., charged with embezzling \$79,000, to-day gave up his long fight against extradition and started for Indiana. During the last sixteen months Burrell has been in jail here. Seventeen indictments stand against Burrell at Brownstown. The ground on which extradition has been resisted is that a prison sentence will mean death to him because of his extreme age.

THE TAMA-TOLEDO INDIANS

The banks of Tama and of Toledo, Iowa, which will entertain Group 7 on Washington's birthday, sent out their invitations on a picture postcard, saying "Come and eat 'Dog Soup' with us." The card bore a group picture of Indian children, clients of the Tama and Toledo banks.

PLAN TO SUE DIRECTORS

Terre Haute, Ind.—Stockholders of the American State Bank are preparing to bring suit against the directors for the larger part of the amount the stockholders say the bank is loser through the shortage of President W. H. Tabor, who has been indicted, and through bad loans he made. The total of such losses, it is said, will be found to be \$100,000, and the directors are held to be responsible, either because of negligence or connivance. Under the state law stockholders are liable for twice the amount of their stock. It is apparent now that the receiver will not be able to pay more than forty per cent dividend, if that much, and the stockholders will be assessed.

BILL TO AID BANK RECEIVER

Senator Black, of Brooklyn, has introduced a bill at Albany, New York, making compulsory a public investigation by the state superintendent of banks of the affairs of all banks which he may take over as receiver. For the purpose of the investigation he must also employ an attorney residing in the district in which the bank is located, paying him from the funds of the banking department.

The bill follows a decision of the court of appeals, which held that the banking law in its present form gives the superintendent of banks no power to conduct a judicial investigation of a bank's management after it has been closed through failure. The decision was made in an action to compel ex-Comptroller Edward M. Grout to testify in the case of the Union Bank of Brooklyn, which is under the charge of Superintendent Van Tuyl.

Little Rock, Ark., February 14.—The executive committee of the Arkansas Bankers Association met here to-day and selected Little Rock for the annual meeting of the association. Tuesday and Wednesday, May 14th and 15th, were the dates agreed upon.

Chapter News

CHICAGO CHAPTER, A. I. B.

By OTTO J. KRAMPIKOWSKY.

The meeting of Chicago Chapter, held on Tuesday evening, February 13th, had the largest attendance of any so far held this year, and was a most sociable and enjoyable evening as well.

Chairman Harry S. Smale introduced James I. Ennis, already known to all members of the chapter, who spoke on "Negotiable Instruments," also giving an outline as to what will be covered in the eight lectures, which he will deliver before the class later on. Mr. Ennis stated that in the first lecture he would treat on the form and interpretation and the essential qualification of a check; in the second—the duty of the bank in paying checks, what the relationship is between the banker and the depositor, how long a time the bank is allowed in which to throw out checks on account of not sufficient funds. In the other lectures, he stated he would cover certified checks, what a teller should do in case of certifying a forged check, and what he should do in order to protect the bank from loss, what right a bank officer has to certify his own check. Mr. Ennis further stated that the first meeting of the class will be held Tuesday evening, March 5th.

After Mr. Ennis' speech, the following vaudeville program was on for the evening as well as the smoker: Mr. Roberts gave a piano and vocal selection, "When You Dream Don't Mention My Name." Mr. Baxley gave a mono-

logue as well as a vocal selection. The First National Bank quartette, composed of Walter Hanson, Carl Rang, Louis Meyer and George Monkey, gave several very good selections. Carter and Carter, black face comedians, were there with their humor, making all present sit up and take notice. Next, last and near best, was our friend, nicknamed "Herman the Great," who took a stiff hat from a nearby member, pulled a guinea pig out of it, cans, flags, etc., and later handfuls of coin.

After the vaudeville program, the buffet lunch was served. There is no doubt that a few more evenings like this one in the near future are bound to bring results in the way of increased membership.

JANUARY CHAPTERGRAM OF THE TACOMA CHAPTER OF THE AMERICAN INSTITUTE OF BANKING

By GUY T. PIERCE, SECRETARY TACOMA CHAPTER.

Our meeting held on January 9th proved to be a great success, creating much enthusiasm among the large attendance present.

The entertainment committee had arranged a very interesting program. One of the numbers, an address on "Psychology in Modern Business," by Dr. F. W. Southworth, held the boys' closest attention.

Following Mr. Southworth's remarks, Mr. L. J. Muschek, a local hypnotist, gave a talk explaining the science of hypnotism, enumerating many wonderful things now being accomplished by the science. Mr. Muschek concluded by hypnotizing some of the boys, this part proving very amusing.

L. H. Flood, of the Scandinavian-American Bank of Tacoma, a professional comedian, having traveled in vaudeville some time ago, was next called on and it is quite needless to say that Mr. Flood's stories kept the club rooms in continuous laughter.

After lunch, which was served in the National Bank of Commerce lunch room, the meeting was adjourned.

QUICK WORK ON ADDING MACHINE

The world's record in adding on a machine was almost broken Tuesday at the annual adding machine contest of the San Francisco Chapter of the American Institute of Banking held at the club-rooms in the First National Bank building. The contest was won by Lloyd F. Head of the American National Bank, who listed and added 100 checks in 1 minute 56 3-5 seconds, which is within a couple of seconds of the world's record, now held by Will Stuart of Oakland. The second prize was won by William F. Gabriel of the Wells-Fargo Bank in 1 minute 57 2-5 seconds and the third by W. Clasby of the First National Bank in two minutes three seconds. The machines used in the contest were lent by the Burroughs Adding Machine Company.

MAUSOLEUM



The above is one of our classic four column front mausoleums. We have erected many hundreds of mausoleums ranging in price from \$2,000 to \$100,000. The private mausoleum is the least heartrending method of caring for the deceased.

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GOOD CROP YEAR PREDICTED

Minneapolis.—According to Thomas E. Hayward, of Mandan, N. D., prospects for a good year in North Dakota never looked better. Mr. Hayward is associated with a string of eight banks in North Dakota, most of them west of the Missouri river. At their head is H. R. Lyon, vice-president of the Russell-Miller Company, Minneapolis.

Mr. Hayward has come to Minneapolis to study banking methods in the city's big banks. He is now at the Northwestern National. "Things are in very good shape in North Dakota now," he said. "There was abundant rains last fall and the ground was frozen soon after with the result that most of the water was conserved in the soil. Then there was a good deal of snow, with the result that the soil will be in much better shape this spring than it has been for several years."

BANK CLAIMS ALLOWED

Little Rock, Ark., February 14.—Chancellor Martineau to-day ordered a decree in the case of D. A. Frayser of Memphis against the Night and Day Bank of Little Rock, which was placed in the hands of Receiver Will Lewis last September, approving claims amounting to \$56,826.27. The claims allowed will be paid a dividend of 20 per cent.

There were about 600 depositors who did not file their complaints in the time required by law, and nothing will be received by them.

The receiver to-day said: "There are claims to the amount of \$13,000 that have neither been allowed nor disallowed, and if they are allowed the liabilities of the bank will be something like \$471,000."

IMPORTANT RULING AFFECTING BANKS

Officers and directors of state banks in Ohio are permitted at stockholders' meetings to vote proxies given them by other stockholders of the institution, this being the holding in an opinion made public on Friday of last week by State Attorney-General Hogan in response to an inquiry from State Bank Superintendent F. E. Baxter. Federal laws specifically deny officers and directors of national banks the right to vote proxies, the intent being to prevent domination of the bank by the officers then in power. The state laws, however, are entirely silent on this point.

LENNON BANK SHY BUT \$18,000

Lennon, Mich., February 13.—Creditors of the Lennon private bank of E. Burt Jenney are \$17,000 better off than they supposed when the first inventory was taken. Thursday the second inventory, required by the second writ, revealed the fact that a receipt for \$17,000 left by Banking Examiner Schethler had been overlooked in the first inventory.

This brings the shortage down to \$18,000 instead of \$35,000 as first supposed. The receipt left by the banking commissioner was for papers taken from the Lennon bank to the Dowagiac bank for comparison.

It was apparent Mr. Jenney himself does not know the condition of the bank. He admitted Thursday morning that the first inventory was correct, and that the shortage reached \$35,000.

FIRST NATIONAL, PHILADELPHIA

The First National Bank, which has the distinction of being the first bank organized under the national bank act, on Tuesday resumed business in its old building, which has been completely remodeled to provide the handsomest offices occupied by any national bank in Philadelphia.

Vermont Program

The third annual convention of the Vermont State Bankers Association will be held at Montpelier, Vt., February 22, 1912, for which the following program has been arranged:

Address of welcome, Andrew J. Sibley, vice-president Capital Savings Bank and Trust Company.

Response by Henry F. Field of the Executive Council.

Report of Secretary, Treasurer and Executive Council.

Appointment Nominating Committee.

Address, "Report of the Monetary Commission," Congressman George W. Prince of Illinois.

General discussion of various topics, election of officers and adjournment.

A banquet has been prepared for the evening's entertainment at which Joseph A. DeBoer will preside as toastmaster, and an address on "Organized Education" will be delivered by George E. Allen, educational director of the American Institute of Banking.

BANKS MAY GET CUSTOMS FUND

Washington.—A report favorable to the deposit of customs receipts in national banks, when the secretary of the treasury so desires, was made to the house last week by the ways and means committee, which recommended for passage a bill introduced by Representative Lobeck of Nebraska. The bill would put the same restrictions on deposits as apply now to the deposit of internal revenue funds. One object of the bill is to divert \$250,000,000 annual customs receipts at New York from the subtreasury in times of financial stringency.

FAVOR AMENDMENT

Indianapolis, Ind.—Many bankers are urging the members of the Indiana delegation to favor an amendment to the banking laws whereby national banks may be allowed to lend 40 per cent of their savings accounts. They contend that under the present law trust companies and state banks have an undue advantage over national banks. A provision of the proposed Aldrich banking plan permits national banks to lend 40 per cent of their savings deposits on first mortgaged real estate security.

NEW YORK BANK MERGER

Louis G. Kaufman, president of Chatham and Phenix National Bank, New York City, has announced details of the merger of the Jefferson Bank and the Century Bank. The consolidated institution will be named the Century Bank and will have a capital and surplus of \$1,000,000. Mr. Kaufman will be chairman of the board and present officers of both banks will remain after the merger. H. L. Crawford, president of the Century, will be president of the institution after consolidation, and S. D. Scudder, president of the Jefferson, will be vice-president. Ten of the board members of the Chatham and Phenix National will be elected directors of the Century.

Aggregate deposits of the two banks amount to about \$8,000,000. The Jefferson has a capital and surplus of \$1,029,500 and the Century of \$361,500. Total resources are about \$11,000,000. The two main offices of both banks will continue together with their branches after the merger.

E. O. ELDRIDGE

It will please the large number of banking friends of E. O. Eldredge to know that he has become identified with the Irving National Exchange Bank, New York City. Mr. Eldredge was in the banking service at Oswego, New York, at the time of his election to the secretaryship of the New York State Banking Association in 1899. He served in this capacity for a number of years and is a man of winning personality.

BANK ACCOUNT SHORT

Veedersburg, Ind., February 13.—Business circles of Veedersburg were agog to-day when it was learned that Joseph K. Irvin, cashier of the Farmers Bank, had left town Saturday night and that an investigation of the bank's books showed an alleged shortage of about \$14,000. The stockholders of the bank met Monday night and effected a reorganization. It is said that the shortage is due to bad loans. Irvin is a son of the late Maj. Samuel Irvin, who founded the bank, and has always been considered one of the solid young business men of Fountain county.

Clinton, Wis.—The Citizens Bank has increased its capital stock from \$25,000 to \$50,000. C. W. Culver is president.

Winnesheik County State Bank

Established 1855 DECORAH, IOWA Incorporated 1902

Below is official statement as made to the Auditor of State, at close of business, February 7, 1912.

Shows no re-discounts; no bills payable; no certificates of deposit issued for borrowed money and no obligations of directors or officers held by the bank.

RESOURCES		LIABILITIES	
QUICK ASSETS			
Cash and due from banks.....	\$333,381.80	Capital.....	\$ 150,000.00
U. S. 2% bonds (par).....	40,000.00	Surplus.....	35,000.00
New York City 3½% corporate stock (par).....	10,000.00	Undivided Profits (net).....	16,321.30
New York Central Ry. 1st Mortgage 3½% bonds (par).....	10,000.00	Deposits.....	1,426,868.80
C., B. & O. Ry., Ill. Div., 4% bonds (par).....	10,000.00		
M. & St. P. Ry. 1st Mortgage 3½% bonds (par).....	10,000.00		
C., St. P., M. & O. Ry. 1st Mortgage 6% bonds (par).....	10,000.00		
A., T. & S. F. Ry. General 1st Mortgage 4% bonds (par).....	10,000.00		
Demand Loans (secured by marketable collateral).....	140,000.00		
	\$573,381.80		
County and other warrants and bonds.....	\$ 122,179.62		
Loans and discounts.....	917,627.68		
Bank building.....	15,000.00		
Furniture and fixtures (cost \$9,000).....	1.00		
Total.....	\$1,628,190.10	Total.....	\$1,628,190.10

C. J. WEISER, President

R. ALGYER, Vice-President
A. ANFINSON, Cashier

E. W. D. HOLWAY, Vice-President
A. C. WHALEN, Assistant Cashier

R. T. FORBES - President
J. E. COMBS - - - Cashier
R. S. BRITTAIN, Asst. Cashier
R. N. RIDGE - - - Auditor

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

Although practically all prominent bankers in the Central West agree that business conditions are improving, the improvement is slow and the upturn not as definite or as rapid as had been expected. The bank clearings do not as a rule hold up well although in several cities gains have been slow during the first few weeks of the current year. Kansas City dropped to seventh place, giving way to San Francisco. Omaha gained while Fort Worth and Kansas City lost last week and Wichita showed up with a decided credit. The general business situation has been almost stagnant on account of unfavorable weather conditions although merchants throughout the section are making preparations for good business later on. Crop conditions could hardly be more favorable for this time of the year and it is predicted that wheat and corn will show an acreage larger than ever before.

Begin Prosecutions

As was hinted several weeks ago, criminal prosecutions have begun in connection with the failure of the American Union Trust Company of Kansas City. The company had absorbed the All Night and Day Bank and most of its troubles are traceable to the closing of the banking department. Liquidation of the company was undertaken by the Commerce Trust Company of Kansas City and depositors are being paid in full. But the investigations of the bank commissioner have disclosed sufficient evidence, in the opinion of the state authorities, to warrant prosecutions. A. R. Fuller, secretary-treasurer of the company, appeared voluntarily to answer to the charge of embezzling the funds of the bank and gave bonds. J. W. Thompson, a director of the bank, who is accused of obtaining money under false pretenses, also appeared in court and gave bond. H. W. Richardson, president, and J. C. Burch are charged with obtaining money under false pretenses, but they are in other states and if they are arrested their requisition will be asked for.

Reiffeisen System of Rural Banking

Governor Cruce, of Oklahoma, recently expressed much interest in the details of the Reiffeisen system of rural banking, which has been applied successfully in Germany. Governor Cruce has named I. H. Nakdiman and Earl G. Bayless, bankers of Salisaw and Claremore, respectively, as delegates to the Southern Commercial Congress at Nashville, Tenn., April 1st to 6th, inclusive. These delegates will pay especial attention to the discussion of the Reiffeisen system as given by David Lubin, a Californian, who represented the United States in the International Institute of Agriculture, maintained at Rome, Italy, by fifty civilized nations. By the Reiffeisen system the farmers of a locality form a co-operative society and, on the strength of their collective assets, obtain a loan for which they become severally and jointly liable. This loan is deposited in the co-operative bank of the as-

sociation. The bank also serves as a depository for the savings of the members. The money is loaned out to the members for specified purposes connected with their farming business. In many instances, these little local banks have federated into central banks. During the 1909, German farmers transacted business in this way to the amount of \$1,600,000,000. The plan has a number of advocates in this country who have made a study of farm finances, and who believe that the plan would be a good one to follow in cotton growing states.

Many Bond Issues During 1911

The year 1911 was characterized by many bond issues among the municipalities of the Central West, notwithstanding unfavorable conditions due to poor crops. The state of Missouri also voted \$3,500,000 in special capitol bonds, which have not been sold, owing to the very low rate of interest accorded them and to the additional fact that they are taxable. Dallas, Texas, authorized heavy municipal bonds for road improvements. Perhaps the greatest bond activity, however, was in Oklahoma. Oklahoma municipalities voted to expend over ten million dollars in public improvements. Oklahoma City heads the list with \$4,000,000 accredited to it, \$350,000 was voted in a special election February 12th. Of this amount \$100,000 is to be paid to the state as the forfeit of the State Capitol Development Company in the free state capitol project. Waterworks and sewers lead in the civic improvement program, while schools and other public buildings show fine records.

New Life Insurance Policy Ruling

Following the policy of strict regulation of all business institutions doing business in the state of Kansas, Ike S. Lewis, state superintendent of insurance, has issued an order that from March 1st of this year all life insurance policies in Kansas must contain a provision that in the event of the default of premium payments, after three annual premiums have been paid, the insured, without any action upon his part, is entitled to a stipulated insurance. "The great majority of life insurance companies doing business in Kansas have such a provision," said Mr. Lewis, "but there are some which do not." This provision shall not be required in term insurance of twenty years or less.

Bonynge Speaks at Meeting of Commercial Club

How to place the banking system of the United States on a scientific business basis, more equally distribute the surplus funds throughout the country, put the banking system on a substantial and adequate basis to meet the increasing and expanding business of the nation, formed the theme of an address delivered before the Kansas City Commercial Club February 8th by Robert W. Bonynge, of Denver, former member of congress and the

national monetary commission. Mr. Bonynge advocated strong support of the Aldrich plan by the business men of the country. As a compliment to the speaker practically every banker of Kansas City was present at the meeting.

"Blue Sky" Law

State Bank Commissioner J. N. Dolley of Kansas has ruled that the famous "blue sky" law of that state shall apply to mutual and fraternal insurance organizations. His attention was called to the controversy that has been going on within the order of the Modern Woodmen of America, which proposes to raise rates to insure solvency. Mr. Dolley is in favor of this change, and has announced that every fraternal insurance organization doing business in Kansas shall put itself upon an absolutely solvent basis. The society of Modern Woodmen of America has been forced to announce an increase in its schedule of rates, effective January 1, 1913, and Mr. Dolley declared that it is doing the honest, straightforward, and only right thing for its membership by arranging its rates so it can carry out its contracts in the future beyond question.

Government Will Redeem \$4,500

In the fire which destroyed the Farmers State Bank at Jamestown, Kan., last Christmas day, the heat was so intense that the safes within the vaults provided no protection for either the currency or coin deposited in them. The safes were shipped to Omaha, where experts opened them. The paper money was found to be reduced practically to ashes, while the coins, both silver and gold, were melted into lumps. Currency to the amount of about \$8,800 was burned, most of it beyond recognition so far as the value of the denominations was concerned. The officials of the bank decided to send the burnt money to Washington for redemption. After three weeks work, treasury experts found evidence of the existence of at least \$4,500 to be contained in the burnt pile, and accordingly Uncle Sam will redeem this amount. The ruling of the government is, that if two-fifths of a bank note can be found after its destruction by fire, one-half of its amount in value will be allowed. In case three-fifths of a note are found to exist, then the full amount of the stated value is allowed the owner through redemption.

Meeting of Group 5, Texas

The first of the group meetings of the Texas Bankers Association for the current year convened at Dallas, Tuesday, February 13th. This was Group 5, representing the north central counties of the state. The Dallas Clearing House Association had charge of the arrangements, and nearly five hundred bankers and outside visitors were in attendance. The sessions were held in the auditorium of the chamber of commerce and the business was handled at a single sitting of the group. The committee on arrangements consisted of J.

Howard Ardrey, Edwin Hobby, and George A. Pittman. Chairman W. D. Sanders of DeKalb, Tex., called the meeting to order, after which Mayor William M. Holland of Dallas delivered the address of welcome. On behalf of the bankers, A. V. Lane, vice-president of the American Exchange National Bank, also made a welcoming address, which was responded to by J. Andy Pondrom, cashier of the Texarkana National Bank. C. A. Canford, president of the Commercial State Bank of Sherman, delivered an address on "The Benefit from Concentrating Bank Accounts with Financial Reserve Association." T. C. Morgan, president of the First National Bank of Longview, discussed the question, "What Facilities will Interior Banks Require of Their Reserve Agents Under the Aldrich Bill?" The visitors and delegates were entertained at dinner at the Orient Hotel in the evening and later attended the theater.

Central West Notes

The Fort Worth, Texas, chamber of commerce has decided to take an active part in the campaign of the National Citizens League for the promotion of sound banking. In the form of a resolution it has extended help to the league and will do its part in the distribution of literature and forwarding the general educational movement.

Frank H. Burrow, vice-president of the Reserve National Bank of Kansas City, and of the First National Bank of Smith Center, Kan., was married February 8th to Miss Margaret Collins of Meyersdale, Pa.

C. G. Cochran, president of the First National Bank of Plainville, Kan., and also president of the Citizens State Bank of Hays, Kan., was in Kansas City last week, visiting his son, F. C. Cochran, vice-president of the Fidelity Trust Company. "The eastern part of the state is in fine shape," he said, "and from the central portion to the Colorado line there never was a finer prospect."

W. L. Norton, former president of the American National Bank of Bartlesville, Okla., was placed on trial February 12th in the federal court, charged with making false reports, false entries and misapplication of funds. Norton is indicted on eleven counts. All cases against Norton were consolidated and one trial will determine all.

At a recent meeting of the directors of the Fidelity Trust Company of Kansas City, Alfred D. Rider was elected treasurer of the institution. For some time Mr. Rider had been assistant treasurer. Thornton Cooke, vice-president and treasurer, now holds the former title only.

Dr. W. S. Woods, former president of the National Bank of Commerce, and now director of the Commerce Trust Company, of Kansas City, returned to Kansas City for a short visit last week from San Diego, Cal., where he has been living for some time. Dr. Woods was a pioneer banker of Kansas City and is now accredited as one of its wealthiest citizens.

J. Z. Miller, Jr., president of the Western Exchange Bank and also vice-president of the Commerce Trust Company of Kansas City, has gone to Texas, where he will attend the various bankers' group meetings in that state in the interests of the banks with which he is connected in Kansas City. Mr. Miller, before making Kansas City his home, was a Texan and enjoys a large acquaintance among financiers of the Lone Star state.

Among the visiting bankers in Kansas City last week were: J. B. Woods, president of the Farmers Bank at Smithville, Mo.; George W. Robinson, president of the Security State Bank, Wichita, Kan.; N. Harding, vice-president of the Fort Worth National Bank, Fort

Worth, Texas.; E. J. McCreary, cashier of the State Bank of Sterling, Kan.; W. T. La Follette, a banker of Siloam Springs, Ark.; O. S. Kelly, president of the Farmers National Bank of Pound Creek, Okla.; Hugh Smith, president of the First State Bank of Tucumcari, N. M.; George S. Murphey, president of the First State Bank, Manhattan, Kan.; R. B. Robinson, president of the First National Bank of Checotah, Okla.; Thomas H. Bowles, president of the Allen County State Bank, Iola, Kan.; W. S. Hadley, president of the Citizens State Bank of Wichita, Kan.; C. F. Lamb, vice-president of the Franklin County State Bank, Ottawa, Kan.; H. F. Tolliver, cashier of the Farmers National Bank, Cordell, Okla.; R. L. Hartley, cashier of the Stockton Exchange Bank, Stockton, Kan.; Henry Picken, cashier of the Concordia Savings Bank, Concordia, Mo.; J. T. Chelf, cashier of the Farmers State Bank, Comanche, Okla.; and Carl H. Woodward, manager of the credit department of the Colorado National Bank, Denver.

The following reserve agents have been approved by the Texas banking department: The Texas Bank and Trust Company of Galveston, and the Union National Bank of Houston, for the Farmers and Merchants State Bank of Winnie; the City National Bank of Galveston, for the Hidalgo County Bank of Mercedes; the first National Bank of Rosebud, for the Lott State Bank of Lott; the Guaranty State Bank and Trust Company of Dallas, for

the State Bank of Barksdale; the Fort Worth National Bank for the Alvord State Bank, Alvord, Texas; the City National Bank of Galveston, and American National Bank of Austin, for the First State Bank of Marquez; the Guaranty State Bank and Trust Company of Dallas, for the Farmers State Bank of Buffalo; the Stock Yards National Bank of Fort Worth, and the Central Texas National Bank of Waco, for the Clifton State Bank, Clifton; the Guaranty State Bank and Trust Company of Dallas, for the First State Bank of Salina.

HOMELY ADVICE BY COMMISSIONER DOLLEY

To the Editor: It has been a matter of wonder to me that bankers (supposed to be the most prudent class of business men in existence) should overlook the fact that their clerks fall into the habit of making a show in society or otherwise, beyond what would reasonably and fairly be allowable from their limited salaries.

It has always seemed to me that when a cashier, teller, bookkeeper or other employee begins to put on extra style and spend money extravagantly in dress or in other respects, the president or directors of the bank should institute an inquisition and call him before them to give information as to how he is getting the money for all that display.

They could at least say to him: "As you are working for us, it would be to the credit of this bank as well as to our own credit, if you exhibit enough courage and character to stand firm against temptation to spend money that you ought not to spend. If you wish to appear to the public as keeping up with the extravagant styles and expenditures of people you may come in contact with, it may be well for you to look for another position. It is not conducive to the good reputation of this bank, nor to your own reputation, for you to be associated with the ones who make such extravagant expenditures."

In case the clerk or cashier, whichever it is, seems not to take such admonition kindly, he should be let out without delay, as there are thousands of deserving young men who would be very glad to have the position and refrain from vanities that require expenditure of money beyond his income.

People not willing to be restricted by abstemious habits and those not willing to deny themselves for the purpose of accumulating money honestly have no proper place in the banking business.

Proper and vigorous supervision of this kind over the habits and aspirations of their clerks would save millions of dollars to the banks of this country, besides assisting their clerks to build up proper characters.

I am of the opinion that many of the defalcations of bank employees should be in a large measure chargeable to the officers higher up, who do not keep in close touch with the employees as to their daily habits, customs and manner of living; and oftentimes not paying them a sufficient salary for their services, largely due to their eagerness of paying large dividends.

Every employee of the bank should receive a fair salary, and be fully paid on a basis of his worth to the institution; and when he is receiving a fair salary and full compensation for his services, and cannot live within the amount, his services should at once be discontinued. If it is impossible to do this from the earnings of the bank, the bank should liquidate and go out of business, for the reason that it becomes a menace to the banking world and the depositing public, when its condition is such that its earnings will not provide a suitable wage and salary for its servants.

J. N. DOLLEY.

Topeka, Kan., Feb. 12, 1912.



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Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m. An up-to-date train in every particular, with an early evening departure from Chicago.

New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped throughout, with a late evening departure from Chicago. Stops made in both directions at South Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars, Sleeping Cars. Free Reclining Chair Cars and Coaches.

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Says E. W. Decker, president of the Northwestern National, of the situation, in the Bank Review: "We look for business to go along in the even tenor of its way, without much expansion or launching of new enterprises until the political atmosphere is clear and crops for the coming year are assured. In the meantime it is safe to say that fundamentally conditions throughout the country are good. We only await reasonable assurance of the future to go ahead with renewed confidence."

Bankers Surety Company

The Bankers Surety Company has notified the state drainage commission in Minnesota that it will complete state ditches in two counties abandoned by O. F. Doyle. The surety company bonded the contractor. Expiration is extended to December 31st.

Scandinavian-American Has Fire

Defective wiring started a \$10,000 fire in the Scandinavian-American Bank building, St. Paul, last Saturday, early. Contents of four vaults were not scorched. Temporary repairs were made to open the next working day. The bank fixtures valued at \$2,000 and insured at \$1,000 were estimated to be a total loss. The fire was at 3:18 A. M. and the burglar alarms rang to arouse the bank officials at 6:30 A. M. Thinking that some one was tampering with the cash boxes, Cashier J. A. Swenson and Assistant J. B. Jensen rushed to the bank and found they were late to the fire. The heating apparatus was no good after the conflagration. The building belongs to the bank.

New Loan Association for St. Paul

The St. Paul Provident Loan Association will begin business February 29th. It is anti-loan shark. A. W. Guttridge, former secretary of the Associated Charities, will be manager. Twenty per cent of \$50,000 subscriptions has been called for. The remainder will be ordered in as needed. C. J. McConville is president of the association. Three

were appointed to arrange for equipment. Five were appointed to make rates, settle on collateral and arrange details. The object of the association is to make loans from \$25 to \$200 at a legal rate. Bankers are on the official list of the association. The vice-president is F. A. Nienhauser, of the First National; treasurer, Louis Betz, of the State Savings; secretary, H. W. Parker, of the Merchants National. Mr. Guttridge addressed the Town Criers on loan sharking, and a resolution was passed to appoint a committee to urge business men and newspapers to get the city rid of that sort of people.

Farmers State at Hartland

The Farmers State of Hartland, Minn., is capitalized at \$10,000. The incorporators are: E. A. Nelson, R. M. Olson, Jacob Hanson, Einar Warke, P. H. Donavan, L. S. Sorlie, W. J. Sorlie, E. R. Thykeson, J. F. Sheeham, L. O. Menggaard, Christ Thofson and others of Hartland, and H. E. Skinner of Albert Lea.

Will Sell Gold Bonds

St. Paul will sell, on February 29th, 4 per cent gold bonds for sewer and water purposes, amounting to \$250,000. The date is March 1st. The corporation attorney's department has settled the question of validity of the bonds in their favor.

South Dakota Convention

The South Dakota Bankers Association is to meet June 26th and 27th at Belle Fourche. At a meeting of the executive council at Huron the bankers said that the stringency in money is due to the people adopting more economical living, with a frugality unknown before in the Northwest. The people are not seriously inconvenienced and are hopeful of a good crop year.

Grain Situation in Canada Exaggerated

On a visit to Minneapolis W. H. Saunders, manager in Calgary for the Canadian Bank of Commerce, says reports of the grain situation

in Canada are exaggerated. He added: "Every year about this time the farmers of Canada try to unload their grain on the market. The result is that the railroads have not enough cars to move it. But empty cars are being rushed to Winnipeg with all haste to relieve the congestion, and large amounts are being shipped into this country over the two Soo lines."

Ehlers Re-elected President

Henry Ehlers has been re-elected president of the Dayton's Bluff State Bank, St. Paul. William Salisbury is vice-president, P. O. Skoglund is cashier and Edwin Ehlers assistant. The directors are: W. W. Dunn, William Salisbury, W. T. Lemon, Henry Ehlers, P. O. Skoglund, Frank Swanson, C. R. Peterson.

Bankers to the South

Twin City bankers have flown, many of them to southern climes. Vice-president A. A. Crane, of the Minneapolis First National, will flit with his family on Washington's Birthday to California. Dr. F. H. Wellcome, head of the Union Investment Company, has left for the West Indies cruise. J. A. Latta, vice-president of the Northwestern National, went to the West Indies, and J. S. Pomeroy, cashier of the Security National, hied himself to Havana. C. T. Jaffray and D. Mackerchar, vice-presidents of the First National, Minneapolis, went south to look over golf grounds.

Attended Wisconsin Group Meeting

L. E. Wakefield, Wells & Dekey Company; P. G. Leeman, assistant cashier of the First National; S. H. Bezoier, assistant cashier of the Security National; R. S. Macgregor, assistant cashier Northwestern National, were the Minneapolis representatives at the east central bank group meeting at Oshkosh, Wis.

Northwestern National Bank clerks who have special knowledge of banking subjects will be allowed to lecture the other bank clerks this season. The course was started by the

Increased Deposits with Publicity—With Little Cost!

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"The Christmas Savings Club Plan"

☛ A positive means of increasing your **Deposits**; cultivating the systematic **Banking Habit**. Interests the community in your **Bank**. \$135,000.00 saved in the initial year in one community by using our "**Christmas Savings Club Plan**." Inexpensive, all efficient, and with profit. We sell but one **live Bank** in a community. Absolutely no solicitors required.

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THE LANDIS CHRISTMAS SAVINGS CLUB CO. UNION TRUST BUILDING HARRISBURG - PA.

CHAS. S. BOLL,
President, Union Trust Company of Pennsylvania.
GEO. W. CREIGHTON,
General Superintendent, Pennsylvania Railroad Company.
H. J. CULBERTSON,
President, Citizens' National Bank.

DIRECTORS
CHAS. A. DISBROW,
President, Commercial Bank.
HARRY W. DAVIS,
HARRY HERTZLER,
President, Carlisle Trust Company.

HARRY D. JONES,
Cashier, Pennsylvania State Treasury Department.
MERKEL LANDIS,
Treasurer, Carlisle Trust Company.
GEO. O. MOTTER,
Cashier, Peoples' National Bank.

bank in 1910 with A. V. Gardner at the helm. Classes in penmanship are especially strong in attendance.

George F. Orde

The executive council of the Minnesota Bankers Association, on suggestion of George F. Orde, vice-president of the First National Bank, is considering taking up the good seed corn proposition in Minnesota this year. Charles R. Frost, secretary of the association, will report upon the plan in the near future.

Professor Andrew Boss and Professor C. P. Bull of the state agricultural college recently said that the seed corn problem this year will be serious. The farmers will plan a big acreage if they can get the seed, but there is a scarcity of good seed stock.

The Minnesota Bankers Association will not take up the matter if it is decided that it can best be handled in some other way, but will be ready to give assistance if its services are found necessary.

Banking Notes of Interest

The St. Paul Title and Trust Company has petitioned court for permission to distribute \$50,000 to its stockholders. Hearing was set for February 23d. Five thousand shares are \$30 par value each. The company has not been in active business for ten years.

BANK MESSENGERS ROBBED IN NEW YORK

New York, February 15.—Twenty-five thousand dollars in currency was stolen from a taxicab in the heart of the financial district this morning by three highwaymen, who sprang into the vehicle and overpowered W. F. Smith and Frank Wardell, messengers of the East River National Bank, 680 Broadway. Both messengers were badly injured and the robbers escaped with the money—\$15,000 in \$5 bills and \$10,000 in \$100 bills. The currency was being transported from the Produce Exchange Bank in the lower part of the city.

NEW BANK FOR CHICAGO

Springfield, Ill.—The state auditor has issued a permit to Edward C. Waller, Edmund A. Cummings and J. W. Broughton to organize the River Forest State Bank at River Forest, Cook county, with a capital stock of \$50,000. A permit was issued also to Camillo Volini, Antonio Romano, Rocco V. Romano, Michels Di Cosola, Alessandro Conforti, Pasquale Mastroianni, Modestino Mastrogiiovanni, Gaetano S. Destafano, Giuseppe Monaco and Luigi M. Nigro to organize the Halsted Trust and Savings Bank in Chicago with a capital stock of \$200,000.

DEATH OF EDWIN F. BROWN

Edwin F. Brown, a vice-president of the Central Trust Company, and formerly president of the Monroe National, which was taken over by the former bank recently, died on Thursday, after a lingering illness. He was a member of many clubs and financially inter-



ested in many enterprises. He began banking as the owner of the Manufacturers Bank, which later moved into the loop and became the Monroe National. He leaves a wife and daughter. Funeral was on Friday from his home in Evanston.

A charter has been issued to the Heard National Bank of Jacksonville, Fla., capital, \$1,000,000. The officers are: J. J. Heard, president; W. B. Sadler and J. G. Boyd, vice-president; C. W. Hendley, cashier.

BANK FIXTURES FOR SALE

FOR SALE—About 40 feet marble fixtures, practically new. Low price. Quick delivery. Can be changed to suit. See sample in this office. Send diagram of your room. For particulars address or call

CHICAGO BANKER OFFICE
407 Monadnock Block CHICAGO

WASHINGTON TO HOLD COUNCIL MEETING

E. T. Wilson, vice-president of the National Bank of Commerce of Tacoma, chairman of the executive council of the Washington State Bankers Association, has issued a call for a meeting of the council in the office of the National Bank of Commerce, Tacoma, February 17th, at two o'clock p. m. The meeting will be for the purpose of selecting a place for holding the 1912 convention and fixing the date thereof; outlining the program of the convention; selecting a topic for the prize essay under the resolution adopted at the Wenatchee convention and the transacting of such other business as may come before the council. The agricultural committee has been notified to meet with the executive council, February 17th, for the purpose of outlining definitely the work of said committee and to arrange necessary steps to provide funds to enable it to satisfactorily carry on its work. The attendance at the meeting is expected to be large.

As the Oregon Bankers Association has selected Friday and Saturday, June 21st and 22d, as the date of the Oregon convention, and as the Idaho association will meet June 17th, 18th and 19th, it is probable that Thursday, Friday and Saturday, June 27th, 28th and 29th will be selected as the date for the convention of the Washington Bankers Association. In this way the dates of the three Pacific Northwest conventions will not conflict, but on the other hand, will be so conveniently arranged, that visitors from eastern states and California will be able to attend all three conventions with the least loss of time.

RAILROAD ENGINE FALLS ON BANK

Salt Lake City, Utah, February 15.—Five men were killed and three hurt when a locomotive hauling three cars loaded with ore left the track, rolled down a hill seventy-five feet and crashed through the roof of the Citizens State Bank and the Bingham dye works at Bingham, Utah, to-day. Three of the men killed were sleeping in the tailor shop. Fred Sharkey, cashier of the bank, was asleep in a rear room when the crash came. He was hurled into the street uninjured.

OUT-OF-TOWN BANKERS IN CHICAGO THIS WEEK

Among the out-of-town bankers who visited Chicago during the past week are the following: J. S. Aisthorpe, of Cairo; J. M. Winters, cashier of Quincy National, Quincy; and A. H. Waite, president of the Missouri Bankers Association and of the Joplin National at Joplin, Mo.

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

**Assets Over
\$16,000,000**

The Seattle National Bank

OF SEATTLE, WASHINGTON

SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

R. V. ANKENY, Cashier
J. FURTH, Chairman Board of Directors

Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

Pacific Northwest Banking News

Spokane, Wash., February 13.—One hundred representatives of banks with total deposits of \$31,000,000 and paid-up capital of \$4,825,000 and industrial institutions with capital of \$20,000,000 attended the "good fellowship" banquet in the Hall of the Doges at Davenport's restaurant following the annual meeting of the Spokane Clearing House Association on February 6th, when Samuel Galland, secretary of the Northwestern Loan and Trust Company, was elected to the presidency, succeeding J. Grier Long, president of the Washington Trust Company. W. D. Vincent, cashier of the Old National Bank, was re-elected secretary and manager. J. P. M. Richards, president of the Spokane and Eastern Trust Company, was chosen vice-president. President Galland, D. W. Twohy, president of the Old National Bank, and Edwin T. Coman, president of the Exchange National Bank, constitute the executive committee. Speakers at the banquet were: J. T. Humbird, J. P. McColdrick, E. F. Cartier Van Dissel, A. N. Cantril, Eugene Favre, D. L. Huntington, Julius Galland, Charles A. McLean, J. Grier Long, M. M. Cooke, F. T. McCullough, Ira W. Bedle, W. D. Vincent, Joseph Bradley, F. M. March, Thomas H. Brewer, D. W. Twohy, E. O'Shea of Spokane and W. R. Baker of Colville, Wash. The committee on arrangements included R. Lewis Rutter, W. D. Vincent and Samuel Galland.

Bankers Indicted

F. E. Barbour of Spokane, deputy state bank examiner of Washington and formerly cashier of the Washington-Alaska Bank of Washington, capitalized at \$50,000, in which he and his associates sold their interests to the Fairbanks Banking Company for \$250,000 in 1909, has received word that he was recently indicted by the grand jury in connection with the closing of the Washington-Alaska Bank of Nevada at Fairbanks. He and Falcon Joslin, John Schram, W. H. Parsons and E. L. Webster of Seattle are to be arrested, following the investigation of the defunct bank. Mr. Barbour said he is at a loss to understand why he and his former associates should be drawn into the affairs of the merged bank, that closed its doors three years after they sold their interests in the original institution, organized in 1905, which had assets of \$2,000,000 and deposits of \$1,600,000, of which more than 90 per cent was held in reserve.

Church and Hospital Property Loans

J. E. Ferris, treasurer of the Union Trust and Savings Company, reports that the Mercantile Trust Company of St. Louis has through his house made a loan of \$30,000 at 6 per cent for five years to St. Luke's hospital. The security is valued at \$140,000. The first named company has placed \$500,000 in loans on church and hospital property in the last twelve months. Mr. Ferris said: "These loans are more popular and regarded as safer than formerly and we have no difficulty in interesting eastern money in them."

Do Not Want Boone Pardoned

Richard H. Hill, one of the largest depositors and shareholders in the defunct Palouse State Bank, has forwarded a petition, signed by more than 300 business men and farmers, to Governor Marion E. Hay, asking that the application for the pardon of H. M. Boone, former state senator and president of the bank, be denied. The bank closed its doors in May, 1909, and Boone was convicted on the charge of larceny by embezzlement of \$20,000. The defense appealed twice, but Boone was sentenced to serve from one to ten years in the penitentiary. Mr. Hill places his loss at \$15,000.

Lewiston Case Closed

When Peyton Gordon, assistant attorney-general of the United States, moved the dismissal of the indictment, charging Frank W. Kettenbach, former president, with conspiring with C. W. Robnett, former bookkeeper, to abstract \$137,000 from the Lewiston National Bank, one of the most interesting cases in the history of central Idaho, came to a close. Mr. Kettenbach was first brought to trial on indictments by the federal grand jury, charging

embezzlement and making false entries and false reports to the comptroller of the currency, but the cases were dismissed at the instance of the government before the defense submitted its testimony.

Business Picking Up

G. H. MacRea of St. Paul, general passenger agent of the Chicago & Northwestern Railway Company, said in Spokane that business is picking up throughout the western country, especially west of the Rocky Mountains. Passenger business is better than it was a year ago, he added, and with the lumber and shingle mills starting on large orders the outlook is bright for a prosperous season.

7 Per Cent Dividend

Day & Hansen Security Company of Spokane, headed by W. T. Day, has paid its regular annual dividend of \$70,000, or 7 per cent, on a capitalization of \$1,000,000, besides adding \$150,000 to the surplus fund. The company was organized four years ago. Mr. Day reports that the farm land operations and the banking business have been good the last twelve months, with brighter prospects for 1912.

Forger Given Three to Twenty Years

J. R. Baldwin, a public accountant, has been sentenced by Judge J. D. Hinkle in the Spokane county superior court to serve from three to 20 years in the penitentiary. He was convicted on the charge of forging a check for \$1,500 on the account of the Langert Wine Company, by which firm he had been employed to audit the books.

Banking Notes

Traders National Bank of Spokane has forwarded to Rollins & Co., of New York, an issue of city park bonds amounting to \$875,000, crediting the municipality with that amount, to which is added \$13,000 premium and accrued interest from January 1, 1912. The bonds were sent by express, insured for \$875,000 while in transit.

State Bank of Kahlotus, Wash., has transferred its accounts and other business to the First National Bank of Washtucna, Wash., of which W. A. Pearce, cashier of the first named, is president, and closed its doors.

George M. Fripp, president of the Boundary Trust Company of Grand Forks, B. C., said while in Spokane that the district is prosperous and will add several important industries to its payrolls this year.

John P. Vollmer, president of the First National Bank of Lewiston, Idaho, and E. S. Burgan, president of the First National Bank of Pullman, Wash., met in the Old National Bank in Spokane a few days ago after 42 years. Their first meeting was at Waitsburg, Wash., in 1870, when both were residents of the Palouse country.

Directors of the Lumbermens State Bank of St. Maries, Idaho, elected these officers at the



The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

OFFICERS

D. W. TWOHY, President
T. J. HUMBERT, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

Guaranteed Irrigation Bonds. Guaranteed Water Works Bonds. Public Service Bonds. Municipal Bonds.	J. S. & W. S. KUHN INCORPORATED INVESTMENT BANKERS First National Bank Bldg., Phone Central 6400 CHICAGO	There never has been a day's delay in the payment of either the principal or interest on any bond we have sold.
PITTSBURG		PHILADELPHIA

annual meeting: President, J. H. Edwards; vice-president, C. O. Harvey; cashier, C. M. Sargent; assistant cashier, Benjamin E. Burr. Mr. Harvey was formerly cashier, his assistant being Mr. Sargent. The semiannual dividend was declared and \$500 added to the surplus fund.

Attorney-general of Washington has given an opinion to the effect that corporations which had become delinquent in paying the state fee and became reinstated were no longer legal corporations according to a new law.

At the annual meeting of the stockholders of the Bank of Kennewick at Kennewick, Wash., the Portland Trust Company bought the stock of Lockerby and Alexander, and now owns the controlling interest. The officers are: President, Emery Olmstead; vice-president, H. C. Tweedt; cashier, Charles Hemp-hill, and assistant cashier, G. E. Tweedt.

Seattle

The Port of Seattle Commission has voted to submit the Harbor Island terminal bond issues, aggregating \$5,000,000, to the voters of Seattle on March 5th. Two propositions cover the Harbor Island terminal scheme. The first is an issue of \$3,000,000 of bonds to cover the cost of acquiring the necessary land on Harbor Island by condemnation, estimated at \$2,000,000, and \$1,000,000 additional for construction of the first concrete piers. The second proposition is a resolution providing for the issuance of an additional \$2,000,000 bond issue.

SEATTLE BANKERS INDICTED

Seattle, Wash.—Indictments have been returned and warrants issued for the arrest of Falcon Joslin, John Schram, W. H. Parsons, F. E. Barbour and E. L. Webster, formerly officials of the Washington-Alaska Bank of Washington, which on October 1, 1910, was merged with the Fairbanks Banking Company to form the Washington-Alaska Bank. The indictments were returned by the federal grand jury at Fairbanks, Alaska. The text of the indictments has not been made public. The Washington-Alaska Bank closed its doors January 4, 1911, owing \$900,000 to depositors, of which half has been repaid to them. W. H. Parsons, speaking for his associates as well as for himself, terms the action of the Fairbanks grand jury outrageously unjust to all involved. He further said: "In the year 1909 the stockholders received what they regarded as a very satisfactory offer of purchase and it was accepted. Now, almost three years since we severed all connection with the bank, charges are laid that would imply we can in some way be held responsible for its failure."

Frederick Groos, pioneer banker of San Antonio, Texas, and founder of the banking house of F. Groos & Co., died recently. He was 84 years of age and had lived in San Antonio since 1845.

STRONG SUPPORT FOR STATE SUPERVISION

(Continued from page 9)

upon the bill. The proposed act is formulated after state bank examination laws now in force with numerous other commonwealths. The Kentucky Bankers Association has worked for two years upon the measure which now seems assured of safe passage. It is the intention to put all forms of banking, not national, under state supervision.

Henry S. Henschen Quoted

The failed private bank of W. A. Mason, known as "Wilson Avenue Bank," kept its Chicago account with the State Bank of Chicago, which now is a judgment creditor to the amount of \$5,000. Henry S. Henschen, cash-

in cities of over 10,000. A national or state institution is safe. The legislature should be called on to protect the small depositor."

Abbott Scores Lax State Laws

W. T. Abbott, vice-president of the Central Trust, criticised Illinois lax state laws in a statement issued, when the Central Trust was appointed receiver for the Mason "bank." He said:

"This case is a good illustration of the effect of the undesirable banking laws in Illinois. Regularly organized state banks have been making efforts for years to secure the passage of an act making it unlawful for a man doing business as an individual to use the word 'bank.' Such efforts have proved fruitless.

"Probably not 1 per cent of the depositors in these institutions realize they are not doing business with an organized institution, but only with an individual, and that, so far as any security is afforded by any state supervision, they might just as well entrust their money to the grocery store or milkman.

"The Wilson Avenue Bank was William A. Mason. It was not a bank subject to inspection of state officials. It is impossible to give any statement of the relative assets and liabilities, because they are confused with other private affairs of Mr. Mason.

"Under the jurisdiction of the bankruptcy court it will be the duty of the receiver to collect and assemble all Mr. Mason's assets of every kind and distribute the net proceeds among all his creditors."

Record-Herald Editorial

The Chicago Record-Herald invariably supports supervision, and will support an effort to give Illinois a better banking law. On Wednesday morning it printed an editorial on "Another 'Private Bank,'" as follows:

Whatever the result of the turmoil over the disappearance of William A. Mason, whose Wilson Avenue "Bank" was closed by his absence, may be, the appointment of a receiver on the complaint of the depositors shows that the lack of regulation by the state apparently has produced a shortage of nearly \$30,000.

The facts so far revealed again emphasize the need of state regulation of all so-called private "banks." With regulation comes a degree of protection to the depositors; without it they have no protection except the honor and ability to the man to whom they intrust their money. Many private bankers are highly responsible, but they should be willing to submit to regulation for the sake of the credit of the banking business.

When a state bank can be so readily and solidly organized in any neighborhood that needs banking facilities, the wonder is that so many irresponsible "private bankers" flourish. They do flourish, sometimes by offers of higher interest than regulated banks charge, sometimes because of neighborhood conditions. It is to the interest of all sound banking, however, as well as of the public invited to make deposits, that every "bank" should become a bank in a responsible sense.



When the above snap shot was taken it was in hope that an honest-minded private banker had developed who wanted the public to know his real status and responsibility. It came as a shock the next day when the Chicago Tribune wrote up the "bank" proprietor, S. Shulein as a "loan shark." Thus while it may please and profit a private banker to pose as a real bank it also may benefit a loan shark to pose as a "private banker."

"Great fleas have little fleas upon their backs to bite 'em,
And these in turn have lesser ones, and so on ad infinitum"

ier of the State, is a very outspoken advocate of state supervision. In speaking of the Mason failure he said:

"I will say that there could be no better example of the pernicious influence of these private banks. Under the present law, any one can rent an office, hang out his shingle, and say he has a bank. The result is that people are literally robbed of their earnings.

"One of our customers told me to-day that a poor laborer had been saving his money for twenty years, and had stored up \$4,000. Half of this he left with Mason to pay for his house, and at one blow the whole thing is wiped out.

"This is not an extraordinary case. Scarcely a month has passed without the announcement of such a failure and the loss of lifetime savings.

"It points out the need of restriction. No one should be allowed to run a private bank

JOHN McHUGH - President
JOHN J. LARGE - V.-Pres.
W. L. MONTGOMERY, V.-Pres.
HENRY G. WEARE - V.-Pres.
F. A. McCORNACK - V.-Pres.
H. A. GOOCH - Cashier
O. D. PETTIT - Asst. Cashier
FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
BUSINESS AND OFFER
YOU EXCEPTIONAL
FACILITIES. CORRE-
SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

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J. H. BLAIR, Vice-President C. A. BARR, Cashier

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C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
Collections and Bank Accounts

Largest Bank in Clinton
County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITORY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VECHTEN, President
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KEAT C. FERMAN, Cashier A. R. SHOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Des Moines, February 14.—Although the state convention is several weeks away, politics are beginning to buzz and the members of the I. B. A. are beginning to be importuned to vote for favorites. Charles Shade of the First National of Rock Rapids is in the field for president. S. L. Stickney of the First National of Moulton is out for treasurer. Thus far no opponents have appeared to Percy W. Hall for secretary, and it is regarded as unlikely that Mr. Hall will have opposition. The Des Moines bankers are going after the convention in 1913. They will be on the ground at Cedar Rapids and will ask that the bankers select this city for next year's meeting. Fort Dodge and Dubuque are applicants for the convention also. They made formal applications at the convention held last year at Mason City.

Assessment on Des Moines Banks

The combined assessment on the banks of Des Moines will show an increase of more than a half million dollars in 1912 over 1911. This is the estimate of the city assessor from the reports of the banks filed with him, as the Iowa law now provides. The combined assessments last year totaled \$3,856,347, of which the national banks were assessed at \$2,709,874 and the state and savings banks at \$1,667,194.

Taxes to be Refunded

The county of Polk will be out some \$60,000 in taxes as a result of an order issued by the supreme court of Iowa instructing the county auditor to refund taxes to the banks of Des Moines. The taxes were collected on government bonds in past years. Recent holdings of the supreme court that such bonds are not assessable are responsible for the refund. The order from the supreme court provides for the refund of taxes for the years 1903, 1904, 1905, 1906 and 1907.

New Bank Examiner for Southeastern Iowa

George E. Grier has bought into the Citizens Savings at Iowa City and Iowa has a new bank examiner as result. A. J. Whinery of Marshalltown has been named by the state auditor to succeed Mr. Grier as examiner in southeastern Iowa. Mr. Grier was cashier of the State at Deep River and member of the legislature before he became bank examiner. He will remove to Iowa City early in March to become actively identified with the institution into which he has bought.

E. J. Curtin

E. J. Curtin, president of the Iowa Bankers Association, is preparing to make a showing on the question of bank taxation when the temporary state tax commission takes up that phase of the situation. President Curtin has named J. L. Edwards of Burlington, C. D. Ellis of Charles City and H. M. Carpenter of Monticello on the committee to represent the association before the tax board. In the meantime Governor Carroll has called a state-wide tax conference which will be held in Des Moines, March 20th and 21st. To this he has

asked that each county auditor name three delegates, that each board of supervisors be represented and that assessors, boards of review and members of the general assembly attend. At that time action will be taken looking toward proper revision to be recommended by the tax board for the consideration of the next legislature.

Public Loan Bureau

Agitation against the loan sharks in Des Moines has finally resulted in the formation of a public loan bureau, or at least the probability that such an organization will be formed. The Greater Des Moines Committee and the Commercial Club have named committees to take steps toward such an organization. The bankers have become vitally interested in the question and pending the formation of the proposed public loan bureau they are taking care of small loans and furnishing money to those who are in the clutches of usurious agencies and did not know how to get out until the newspapers pointed it out to them.

Century Savings to Have New Building

Another new bank building is to be erected in Des Moines within the near future. The Century Savings will be the builder and the structure will be ten or twelve stories in height. President Lee Stevens and others interested in the bank have secured a valuable tract at Fifth and Locust streets diagonally across the street from the new Central State and adjoining the new Mechanics Savings. The Century will erect a U-shaped building, and the Mechanics will be in the center, while the Century will lease the air space above so that the offices in its structure will be lighted from all directions. The Century closes its lease on its present quarters within a few months. The erection of the new bank on Fifth Street, in view of the proximity of the Commercial Savings to the corner at Fifth and Locust, makes this a busy bank center of the city.

Northwest Davenport Bank Organized

The new Northwest Davenport Bank has been duly launched and the articles have been approved by the state banking department. Three hundred residents of that section of the city gathered at the meeting at which the bank was organized. Everyone of the 300 became stockholders. The institution will be known as the Northwest Davenport Savings and the capital stock will be \$50,000. At the organization meeting, Peter Peters presided as chairman and Henry Jebens acted as secretary. Directors as chosen were Dr. J. S. Weber, Peter Peters, Henry Molst, Louis Puck, Ed. J. Mittelbuscher, Jacob J. Jepsen, Carl Behrens, Henry Jebens and Peter Kloppenburg. This meeting was unusual, and it is not often that a bank is organized at a public massmeeting.

Meeting of Group 10

The meeting of Group 10 at Ottumwa February 12th was the first of the season. Many

Waunakee, Wis.—The Farmers State Bank is the title of the new bank organizing with a capital of \$15,000. J. Shulk and Erick Simonson are interested.

Des Moines bankers attended the sessions. They report a most successful meeting. Full details will be given in a later letter.

Corn Contest

The State of Schaller has pulled off a corn contest all its own just to show that it is in full sympathy with the movement to add to the agricultural wealth of Iowa. There were forty-six entries in the show and Prof. Berger of Ames College, acted as judge. The prizes were awarded to the exhibitors of the best corn display and then Prof. Berger gave a talk on good corn and how to secure it. This will be a live topic in Iowa this year, as the seed corn from last year is not good and the banks will join in a general movement for the testing of the kernels before they are planted this year.

Bank in New Home

The State of Jewell is now located in its handsome new home. The structure is of elegant white enameled brick front with arched windows, light and roomy vestibule, terraza floors and marble finishing. The furniture is elaborate and thoroughly suited to the needs of a modern institution while a room in the rear, set aside for the convenience of guests of the institution, is proving most popular.

Peoples Savings at Cedar Rapids Has Rapid Growth

Despite the fact that bank bankers are taking exceptions to the style of architecture of the new Peoples Savings at Cedar Rapids, Cashier J. B. Burianek, Jr., is pointing out that the structure is adding to the business of the institution. For instance, the resources have now passed the million dollar mark. February 3, 1911, the resources were \$895,371.81; February 3, 1912, they were \$1,011,045.97. How is that for growth? The deposits are now \$934,643.55, and Mr. Burianek points with pride to the fact that they are all local. The bank officials claim that while the bank looks peculiar at first, the banker who stops to study it will see that it is eminently practical and excellently designed for business purposes.

Banking Notes

W. G. Pooley, a banker at Jefferson, has been involved in a rather sensational alienation suit in the courts of Green county. Recently his wife, whom he married in Des Moines in 1910, returned to her parents, Mr. and Mrs. O. J. Dutton of Grand Junction. Pooley thereupon brought suit against them for alienation, asking damages of \$50,000. The jury awarded him \$11,000. The case will be appealed.

The Dolliver Savings at Dolliver went up in smoke last week, and as a result the owners of the structure are out \$6,000. It is probable that the building will be rebuilt. The fire started in living-rooms above the bank.

G. L. Tremain, president of the Peoples State at Humboldt, is seeking to dispose of \$60,000 in bonds for the Northern Iowa Power Company. This corporation owns the water power at Humboldt.

Paul G. Clark has been chosen vice-president of the Red Oak National to succeed Henry Blinns, retired. F. E. Crendell succeeds Clark as cashier.

Henry W. Bruhn, cashier of the Eldridge Savings at Eldridge since it was organized in 1899, has resigned to accept, on April 1st, a position with the Western Implement and Motor Company at Davenport, Ia.

Walter Posey while "sitting in" a poker game with two friends at Mechanicsville discovered that he was out of funds, whereupon he issued checks for \$40 and handed them to his partners. The checks were drawn upon the Cedar Rapids Savings. When the two

poker players showed up with the checks, Posey was found to have just \$2 on deposit. The young man was arrested but charges were dismissed upon reaching a private settlement.

It is announced that the First National of Garner and J. J. Cosgrove of Titonka will organize a new bank at Woden and build a \$4,000 building for it in the near future.

The Iowa State Savings at Burlington is getting ready to tear down its present three-story structure and prepare for the erection of a handsome eight-story, fireproof building in its stead.

John Williams and James Burns, who were found guilty of the robbery of the Derby Bank, were sentenced to fifteen years apiece in the Ft. Madison penitentiary. They will appeal.

The application for the organization of the new First National at Corydon has been approved by the comptroller of the currency. The capital stock is \$75,000. The incorporators are C. W. Steele, L. Kimple, C. L. Clark, F. R. Fry and F. B. Fry.

Frank C. Carson has been chosen cashier of the Johnson County Savings at Iowa City. He is the son of T. C. Carson, for many years president of the institution.

Postal savings banks will be established March 5th as follows: Blanchard, Corwith, Deep River, Elkader, Fairbanks, Farmington, Fredericksburg, George, Gilmore, Kellerton, Lawler, Leon, Milo, Murray, Nora Springs, Panora, Redfield, Ruthven, Sidney, Thompson.

The Iowa State Bank and Trust Company at West Liberty is erecting a temporary building in the street while its new stone structure is in process of construction. This is a novel idea but was sanctioned by the town council.

Among out of the city bankers who were in Des Moines recently were President W. D. McErin, State Savings of Rolfe; Cashier R. A. Clerk, Commercial Exchange, Elkhart; President M. H. Head, First National, Jefferson; Vice-President D. H. Thomas, State National, Iowa Falls; Vice-President J. N. Olmstead, State of Woolstock; Cashier T. D. Ball, Iowa State Savings, Creston; President J. V. Casady, Norwalk Farmers; President J. A. Brown, State Savings, Chariton.

Jesse A. Wells, president of the German Savings, Des Moines has returned from a business trip to Boston.

Simon Casady, president of the Central State, Des Moines has gone to New Orleans and thence to Panama for a six weeks' visit on the isthmus.

Sioux City

By JOHN J. BIDDISON.

The Farmers Trust and Savings Bank and the National Bank of Commerce began operations on Wednesday, February 14th, a charter having been received a few days prior to this time. The new national started with a capital stock of \$100,000, it being the intention to increase the capital as the business grows. The business will be conducted in the old banking room in the Farmers Loan and Trust building and having the same close association with the trust company as formerly but confining its business to the usual run of a national bank. This required the elimination of realty loans and the like. The officers of the bank are: G. R. Whitmer, president; T. F. Harrington, vice-president; J. B. Alexander, cashier; C. B. Toy, assistant cashier; J. W. Van Dyke, assistant cashier.

Kearney to Organize Bank

After two weeks' association with the Davidson Brothers Company department store as

publicity promoter, E. T. Kearney, for 25 years a prominent banker of Jackson, Neb., has reverted to his original intention, and announced the pending organization of a new private bank, to be known as the "Mid-West," which will be opened for business about March 1st, at 408 Pearl Street. Mr. Kearney in explanation stated that his relations with the store were pleasant but that he had been used to being his own sole boss for too long a time to take kindly to any sort of instructions from others. He expects ultimately to convert his new bank into a national.

South Dakota Convention

The members of the executive committee of the South Dakota Bankers Association, including President N. M. Brown, of Sturgis, and Secretary J. E. Platt, of Clark, met last week in Huron, S. D., and fixed June 26th and 27th as the date for the annual convention, which will be held in Belle Fourche. Members of the committee compared notes and agreed that crop conditions are promising and that, while there will be a considerable demand for money in the spring and summer, especially for seeding expenses, yet conditions are wholesome. A good many homesteaders will be obliged to ask for extensions of time on paper, however.

Banking Notes of Interest

Banks in the White Owl country of South Dakota, which was especially hard hit by last season's drouth, are now resuming the loaning of money on live stock, after a year in which the ban has been absolute. Settlers were in many cases in sore straights because of inability to raise money in the customary way.

Efforts are being made to arrange for the reopening of the Meade County Bank to resume, after having closed a month ago. It is proposed to permit depositors to withdraw funds in limited amounts at intervals of three months and to renew old time certificates for stated periods. Nearly all the depositors have signed such an agreement, and it is said when a sufficient number have agreed to the plan capital from Sioux Falls will tide the bank over.

The Farmers and Merchants Bank, of Armour, S. D., has increased its capital stock to \$15,000 from \$10,000, most of the increase coming out of earnings of the last two years.

The Dolliver State Bank, of Dolliver, Ia., lost its building by fire last week. The loss was \$6,000, with insurance of \$3,000. It is planned to rebuild.

R. S. Pike, receiver in the bankruptcy case of F. S. Barnes, of Marcus, has fixed February 23d as the date for selling 130 shares of stock owned by the banker. They must bring not less than \$115 a share, the amount of the appraisal.

Among the Visiting Bankers

Herman Fortin, cashier of the Farmers Bank, Salix, Iowa, was in Sioux City Wednesday on business.

Walter R. Hubbard, president of the Farmers State Bank, Lane, S. D., was in Sioux City Wednesday.

D. M. Inman, president of the First National Bank, Vermillion, S. D., was transacting business in Sioux City Wednesday.

C. L. Millett, president of the Stock Growers Bank, Fort Pierre, S. D., was in Sioux City on business Thursday.

Judge A. D. Bailie, vice-president of the Citizens National Bank, Storm Lake, Iowa, was in Sioux City Friday.

L. T. Swezey, president of the Vermillion (S. D.) National Bank, and an old time resi-

dent of that section, died last week and was buried beside his wife, who had just passed away in the South and had been brought home for burial.

W. F. Reickhoff, vice-president of the Northwestern State Bank, Orange City, Iowa, and president of W. F. Reickhoff & Co., investment bankers, was in Sioux City Saturday on business. Mr. Reickhoff owns one of the buildings which was damaged by the big fire when the Mondamin hotel burned, and was here adjusting the insurance.

WILDE ACQUITTED

Portland, Ore.—Judge J. P. Kavanaugh in the state circuit court February 3d instructed the jury in the trial of Louis J. Wilde of San Diego, charged with embezzlement from the Oregon Trust and Savings Bank, defunct, of this city, to return a verdict of not guilty. The instruction of the court was given following the delivery of a decision in which the court upheld the contentions of the defense that the state had failed to prove the allegations charged in the indictment, and that the indictment itself was insufficient in that it was not returned within the time limitations provided by the statutes. The indictments charged Wilde with the embezzlement of \$90,000 of the bank's funds in connection with the sale of Omaha Telephone bonds, which were sold to the bank for \$500,000. The commission on the sale was alleged to have been \$100,000, of which Wilde and W. Cooper Morris, cashier of the bank, are alleged to have received and divided \$90,000.

BANK EXAMINATION ENDED

Milwaukee, Wis.—After working steadily for nearly two years, government experts employed by the attorney-general's department have finally concluded the examination of the books of the defunct Mineral Point National Bank, according to word received by LaCrosse government officials.

Philip Allen, vice-president of the bank, is now serving ten years at Leavenworth prison for wrecking the institution. Following his conviction Allen appeared before the federal grand jury in LaCrosse, in November, 1909, and gave evidence which helped to indict Calvert Spenseley, president of the bank and a leading lawyer of Mineral Point, on a charge of conspiring to make false statements to the bank examiners.

Before Mr. Spenseley could be tried on this charge it was found necessary to summon special examiners from Washington to go over all the bank's records from the time that Allen's defalcations started until the bank was closed and the embezzling vice-president arrested. The auditors found the bank's books and records so badly muddled that the examination occupied nearly two years.

With the auditing completed, it is anticipated that Spenseley will be tried at the next term of United States court in Madison, in the event that the evidence warrants his prosecution. The attorney-general's department in Washington will determine this question.

OKLAHOMA BANK BOUGHT

The Bank of Commerce of Sulphur, Okla., has been purchased from T. J. Hartman and Noble Mitchell by R. M. Estes and C. A. Bryan, both formerly connected with the Central Reserve Bank of Oklahoma City. Mr. Estes is president and Mr. Bryan is cashier. They will change the bank from a state to national institution and increase the capital stock from \$25,000 to \$50,000. It is reported that the old officers will take charge of a bank at Tulsa.

Los Angeles

The merger of the Union National, Union Savings and the San Gabriel Valley banks, of Pasadena, which was decided upon November 1st, last, was completed February 1st, and the three institutions are now conducted under the terms of the new arrangement. The savings business of the San Gabriel Valley Bank has been taken over by the Union Savings Bank, which, on the other hand, will maintain a commercial department in the San Gabriel Valley Bank building. However, practically all of the commercial business has been absorbed by the Union National Bank. The merger necessitated some changes in the officership of the banks. The officers of the Union National Bank now are: Frank C. Bolt, chairman of the board of directors; H. I. Stuart, president; C. W. Smith and E. H. Groenendyke, vice-presidents; H. L. Mouat, cashier, and William H. Magee, assistant cashier. Others on the board of directors are: H. H. Robinson, T. P. Phillips, Thomas D. Wayne and F. A. Ford. Mr. Bolt is also chairman of the board of directors of the Union Savings Bank. Mr. Stuart is president; Sherman Washburn, E. H. Groenendyke and C. J. Hall, vice-presidents, and H. L. Mouat, cashier. The directors of this bank are: Stuart Bolt, C. J. Hall, E. H. Groenendyke, George W. Stimson, S. Washburn, E. R. Braley, E. S. Goshney, J. E. Jardine, C. W. Gates and H. M. Robinson.

January bank clearings were the largest monthly exchanges ever recorded in the history of the city, according to James B. Gist, manager of the Los Angeles Clearing House Association, and cashier of the Central National Bank. If the present enormous increase in business continues, it is possible that a monthly record of \$100,000,000 will be established before the year closes.

Bankers say that there has been no extraordinary business to swell the clearings this month, but simply a gradual and consistent growth. Last year the daily clearings averaged more than \$3,100,000 and thus far this year the daily average has been almost \$3,500,000. Total bank clearings for January, 1912, were approximately \$93,000,000.

Los Angeles county is to have another bank, to be located on Third and Thomas streets, in Pomona. It will be known as the Los Angeles County Bank.

FINANCIAL OUTLOOK

The Fourth National of New York, in its monthly letter on business and financial outlook, says:

"Since the year has opened there has been a steady outflow of capital from the United States, caused by the rapid return flow of dividend money to New York and the limited demand from borrowers on speculative collateral, or from those having great business undertakings to finance. This plethora of money became so pronounced that the New York bank surplus (excluding the operations of the trust companies) by the middle of January reached the largest total reported for that date since 1897.

"As a result of these conditions, and because of the much more attractive rates offered for money abroad, the total outstanding advance made to foreign markets by American lending institutions probably exceeds to-day \$150,000,000. In other words, the volume of these credits created in favor of our banks on the other side is already at the high level of last year, and if the movement continues it is fair to assume that the figures in the near future will break all records. Such a situation seems to be inevitable, unless the expulsion of capital should be immediately checked.

"In this way the American money market has

become much of the cheapest in the world, and the situation here is protected by the fact that we will be in a position to draw gold against this huge foreign credit fund should unexpected need develop on this side. This is a really extraordinary situation and shows that for at least a considerable portion of the present year the foreign money market will be virtually in the hands of American bankers. This is only another instance of the fact that money invariably seeks the dearest market, or that which bids the highest rate.

"Although business is quiet, it is by no means bad. Advices from various sections show relatively satisfactory returns and a fairly confident tone. The talk of a "money trust" investigation, tariff revision and untried legislation has been a deterrent to business in some quarters, but the disposition has been to take things quietly until after the Presidential election, or until the issues of the next campaign have been pretty well developed. This is a good sign, since it prevents undue speculation and insures for the country continued adherence to a conservative policy. So far there is nothing in the situation to suggest that the public mind will be seriously unsettled by political controversies.

"There is still important financing to be done by the railroads and the industrial corporations. This is the season for bond offerings and some important announcements may be expected in the near future. The bond market is considerably broader than it was, and there is an unquestioned investment demand from private investors and from institutions. Because of the peculiar conditions existing abroad, and the heavy financing which the great foreign markets have to provide for, it may be doubted whether Europe will be in position to make large purchases of our securities for several months to come. The banks there would no doubt bid for short-term notes, but the chances are that the market here would absorb any reasonable offerings with ease.

GROUP 1, PENNSYLVANIA

Philadelphia, February 12.—Members of Group 1, Pennsylvania Bankers Association, have departed from their usual custom by inviting prominent democrats to deliver addresses at the annual banquet, which this year will be held next Thursday night at the Bellevue-Stratford. The speakers will be: Ollie M. James, of Kentucky, who will respond to the toast, "The South and Socialism"; Martin W. Littleton, of New York, "Government of Industry," and Rt. Rev. Charles E. Woodcock, D. D., of Kentucky.

The toastmaster will be J. R. McAllister, president Franklin National Bank and executive head of Group 1, Pennsylvania Bankers Association, which group comprises bankers of Philadelphia. The banquet will be in charge of the following executive committee: J. R. McAllister, chairman; Arthur V. Morton, secretary; Joseph Wayne, Jr., L. L. Rue, William T. Elliott, Charles J. Rhoades, John H. Mason, B. M. Faires, William A. Law, Charles S. Calwell, Howard W. Lewis and E. Walter Clark. A committee of fifteen well-known bankers has been selected as an honorary reception committee.

TEXAS BANK TAKEN IN CHARGE

Austin, Texas, February 13.—Commissioner of Insurance and Banking Gill to-night telephoned Chief Bank Clerk Chambers that he had taken over the Paige State Bank of Paige, Bastrop county, and the affairs of the bank will be liquidated. This bank has a capital of \$10,000 and the deposits amounted to \$30,000, and loans \$46,000. E. F. Brown, who became involved in bankruptcy proceedings at Houston a few days ago, is the president of this bank.

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LEADS AMERICA IN BANK CLEARING GROWTH

The bank clearings for the city of Edmonton, Canada, for the month of January, 1912, show an increase over those of the same month of last year of 124.8 per cent. This fact has been noted by several of the leading eastern papers, and they point out that Edmonton leads all the cities of America by this increase. In the list issued, Calgary comes second in increases with 48 per cent; Regina third with 45.8 per cent, while Kansas City has a decrease of 11 per cent, which is the poorest showing of any city given in the list.

Another thing which is giving rise to much inquiry is the single tax, a modified system of which is now in operation in the city. The Toronto Financial Post has an article, too, which draws attention to this as one of the advances made by Edmonton, and points out at the same time the growth of the city as shown by the increase in city property values. The same article shows that the assessment for this year will amount to over \$70,000,000.

GET ONLY \$67 IN PENNIES

Princeton, Ind., February 14.—Burglars blew the vault doors of the Patoka National Bank, at Patoka, early to-day, but were evidently frightened away before they had opportunity to get into the safe. Three bags of pennies, amounting to \$67, found outside the safe, were taken.

The burglars then stole a horse and buggy belonging to Dr. S. I. Arthur, drove to near this city, turned the horse loose and escaped. The robbery was not discovered until the bank was opened at 8 o'clock this morning. The burglars are believed to have been experts.

ARIZONA BANKS MERGE

Phoenix.—The Farmers and Merchants Bank of Phoenix went into voluntary liquidation January 31st, turning its accounts and securities over to the Valley Bank of this city. Not a cent will be lost by depositors, and the stockholders expect to receive a material dividend. The bank was organized about a year ago. At no time has the local bank had any considerable deposits. The Valley Bank, last weeks, also absorbed the Union Bank, an institution with over half a million deposits, and now is the largest financial institution of Arizona, with about \$2,700,000 deposits.

NEW A. B. A. MEMBER BANKS

Following is a list of members joining the American Bankers Association for period beginning January 24, 1912, and ending February 6, 1912, both inclusive:

Arkansas—Fort Smith, The Peoples Bank.
California—Colusa, First National Bank; El Segundo, El Segundo State Bank; Greenville, Indian Valley Bank.

District of Columbia—Washington, Fourteenth Street Savings Bank.

Florida—Orlando, Peoples National Bank.

Idaho—Ashton, Security State Bank.

Kansas—Elk City, First National Bank; Milton, Milton State Bank.

Louisiana—De Quincy, De Quincy State Bank.
Michigan—Royal Oak, Royal Oak Savings Bank.

New Mexico—Las Cruces, First National Bank; Portales, First National Bank; Roy, Roy Trust and Savings Bank; Tucumcari, First State Bank.

Ohio—Canton, Commercial and Savings Bank.
Oklahoma—Oklahoma City, The Guaranty Bank.

Pennsylvania—Brackenridge, Merchants and Mechanics Bank; Etna, First National Bank.

Virginia—Abingdon, Peoples National Bank; Berryville, First National Bank; Luray, Page Valley National Bank; Fredericksburg, Commercial State Bank; Richmond, Manchester National Bank; Waynesboro, First National Bank.

Washington—Seattle, W. F. Paull, Banker.

CLOSED BANK WILL REOPEN

Portland, Ore.—Plans for the reorganization and reopening of the American Bank and Trust Company's bank which was closed December 18th, are under way, and it is hoped to have the new institution ready for business early next month. Outside capital is behind the movement. The capital of the new bank will be \$250,000, or \$100,000 more than that of the closed institution. The reorganization plan is developed to the extent that a large number of the heaviest depositors have approved it. The plan has been worked out by George L. MacGibbon, cashier of the closed bank, who has opened temporary offices at 928 Chamber of Commerce building.

A. S. French, cashier of the Farmers National at Fullerton, N. D., has resigned.

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EUROPEAN-AMERICAN BANK

Geo. C. Van Tuyl, Jr., superintendent of the New York state banking department, has announced that another dividend of 15 per cent will be paid to creditors of the European-American Bank, New York City, on February 17th.

The bank was taken over by the state banking department on August 6, 1910, and depositors have already received 60 per cent from the liquidation bureau of the department. Amount of approved claims filed against the bank's assets aggregated \$177,549. The present 15 per cent dividend means a disbursement of \$29,981 to depositors.

"BLUE SKY" LAW IN MASSACHUSETTS

The committee on banks and banking will shortly consider a radical bill "to regulate the sale of investment securities." This bill, if enacted, would extend the authority of the bank commissioner to regulation of the business conduct and the security issues of general business corporations, associations and individuals, except a certain list of companies which the bank commissioner may designate as exempted from the provisions of the act and except banks, real estate mortgage companies, building and loan associations.

By this bill it is provided that, before any individuals, co-partnerships, associations or corporations, domestic or foreign, save the exempted ones, may engage in business or attempt to sell any stock, bonds or other securities of any kind, they must file with the bank commissioner a detailed statement showing the plan upon which they propose to do business, copies of all contracts, bonds or other instruments which they propose to make with, or sell to, investors, and itemized accounts of financial condition and the legal authority under which they exist. The bank commissioner may then issue to the applicants licenses to proceed or he may forbid their doing so, according to whether or not the applicants are solvent, and provide "a fair, just and equitable plan for transaction of business and in his judgment promise a fair return on the stocks, bonds and other securities offered or to be offered for sale."

The law follows the general lines of the "blue sky" law successfully enforced in Kansas.

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FOR SALE—Miscellaneous

1-A Reflex, focal plane shutter, Celorsix-inch lens. Cost \$84.50. Like new, \$45.00. Address, X-44, Chicago Banker.

1-A Graflex, 1C, Tessar lens, focal plane shutter (new out of stock), value, \$101.50. Sell, \$85.00. Cash. Address, X-55, Chicago Banker.

4X5 Goerz-Argo, latest model, Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$105.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale, 9/4-inch Goerz Dagor, Volute shutter. Value \$97.50. Sell for \$50.00, like new. Six-inch Dagor, Koilos Shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale, Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to the issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 25c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER,

407 Monadnock Block, Chicago.

OHIO BANK INVESTIGATION

Ottawa, Ohio, February 12.—Investigation into affairs of the First National Bank of Kalida, Ohio, made since Cashier J. W. Miller committed suicide, on January 29th, discloses the fact that there is a shortage of \$25,000, the same amount for which the bank is capitalized. The shortage was concealed by forged notes on farmers in the vicinity of Kalida. The depositors of the bank will be paid in full.

Robbers entered the building of the Bank of Meno, Okla., a small town seventeen miles west of Enid, during the night of February 12th. They had cut the telephone wires and provided horses for escape. The explosion of the charge placed in the safe aroused the people of the town and they scared the thieves away before any money was taken from the bank.

Department of New Business

NORTHWEST

Standish, Mich.—A new banking institution to be known as the Commercial State Savings Bank has been organized by capitalists from the Thumb. The capital is \$20,000. D. McNair of Lexington will be the cashier.

Crawfordsville, Ind.—The Farmers and Merchants Trust Company has been chartered with \$25,000 capital. J. B. Murphy, R. H. Gerard, B. B. Engle, J. W. Canine, R. W. Allen, T. B. Nicholson and W. B. Lynch are the directors.

Davenport, Iowa.—The Northwestern Davenport Savings Bank has been organized with \$50,000 capital.

Ft. Dodge, Iowa.—The Fort Dodge Loan and Trust Company has been organized.

Garwin, Iowa.—The Farmers Savings Bank is the title of a new bank with a capital of \$20,000. C. W. McCune and C. C. Bratt are interested.

Woden, Iowa.—The State Savings Bank, capital stock \$15,000, is being organized. J. J. Cosgrove will be cashier.

Brandville, Mo.—The Brandville State is the title of a new bank being organized by W. R. Haight, J. W. Morrison and others.

Minong, Wis.—A new bank will be started here about May 15th under the management of Fred Jenks.

Stillwell, Ill.—The Bank of Stillwell is the title of a new bank at this place.

WEST

Camargo, Okla.—A new bank has been organized with \$10,000 capital. Gerge E. Steele and Stanley Hocker are interested the former as vice-president and the latter as cashier.

Thompson Falls, Mont. (Thompson P. O.).—The Security State Bank is being organized at this place by Eugene Preston, Harden Holland and others.

Phoenix, Ore.—Articles of incorporation have been filed for the Bank of Phoenix. S. G. Van Dyke will be president, A. H. Fisher, cashier.

Paisley, Ore.—Chowaucan State Bank is being organized with a capital of \$25,000.

Bradshaw, Neb.—German-American Bank is the title of a new bank organizing here with a capital of \$15,000. C. H. Bedient, H. A. Berger and others are interested.

Merced, Cal.—The organization of the Atwater Commercial and Savings Bank has been perfected. The capital of the new bank will be \$25,000, subscribed by local people headed by Charles R. Shaffer, who will be the cashier and manager. The new institution will be opened for business about May 1st.

Sacramento, Cal.—The amended articles of incorporation of the Peoples Savings Bank have been filed with the county clerk. The bank is capitalized at \$500,000, of which \$450,000 is subscribed. The directors are: William Beckman, George W. Lorenz, J. L. Huntoon, A. G. Folger and J. J. Keegan.

Pomona, Cal.—The Los Angeles County Bank is the title of a new bank organizing at this place.

SOUTH

Fisher, Ark.—The Bank of Fisher is the title of a new bank here. J. A. Sanders is president, G. R. Plyler, vice-president, and L. E. Wade, secretary.

Ash Flat, Ark.—The Bank of Ash Flat was organized with R. E. Semple, president; L. C.

Phillips, vice-president, and W. O. Heath, cashier.

Fayetteville, Ark.—The First Savings Bank is being incorporated with a capital of \$50,000. E. T. Ellis, president; S. P. Earle, vice-president, and Bruce Holcomb, secretary and treasurer.

Shreveport, La.—The Red River Valley Banking and Trust Company with an authorized capital of \$1,000,000 will be opened. N. C. Blanchard and John P. Scott are interested.

Lottie, La.—The Bank of Lottie has been organized. J. W. Green is president, C. M. Wilson vice-president and A. C. Noble cashier. The institution will begin business about April 1st.

San Antonio, Tex.—The state banking board licensed the Standard Trust Company with a capital stock of \$250,000.

Seguin, Texas.—The Guaranty Loan and Trust Company is reported organized. Wm. Timmermann, president; Wm. Bauer and W. A. Bruested, vice-president; C. H. Donegan, treasurer; A. P. Mueller, secretary; B. H. Puls, assistant secretary and treasurer.

Bay City, Tex.—The Citizens Trust Company is reported organized. J. M. Moore, president, Fred S. Robbins, first vice-president; Judge Thompson, second vice-president, and M. Thompson, secretary and treasurer.

Kopperl, Tex.—The Guaranty State Bank has been incorporated. Capital \$10,000. W. P. Greer, president.

Longview, Tex.—Guaranty State Bank is reported chartered with a capital of \$25,000. A. A. Batson, G. A. Bodenheimer, and D. W. Gans are interested.

Austin, Tex.—The Texas Trust Company has obtained a charter.

Ashburn, Ga.—The Turner County Bank is the title of a new bank at his place. Capital \$25,000. J. S. Shingler is president and J. L. Evans, vice-president.

Pensacola, Fla.—Thos. V. Hannah has been elected vice-president of the American National bank.

CANADA

Montreal, Que., Can.—A branch of the Bank of Montreal will be established in the new C. P. R. Windsor Street Station as soon as the building is completed.

Fairville, N. B., Can.—The Union Bank of Canada has opened a branch at this place. J. T. Hopewell is manager.

Port Arthur, Ont., Can.—The Bank of Hamilton will open a branch bank at this place.

Montreal, Can.—The Royal Bank of Canada of Montreal has opened a branch in San Domingo City. Before the first of March another branch will be established in San Pedro-de-Macoris.

CLOSE TEXAS BANK

Austin, Texas, February 12.—The state banking department has closed the Paige State Bank of Paige. The institution is a guaranty fund bank with deposits amounting to about \$30,000. Edward F. Brown of Houston, who also operates private banks elsewhere, is president. Mr. Brown, a few days ago, filed a petition in bankruptcy, but alleged his assets are sufficient to meet his liabilities.

J. W. Hayes, who has been cashier of the bank at Sadler, Texas, for the last five years, has resigned that position, which is now occupied by C. D. Perry, recently of Saline, Tex.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

PEOPLES TRUST, Clinton, Iowa, has gained between Februaries 1911 and 1912 in deposits \$157,623.48. Total now runs well over three and one-half millions. Cash items nearly one million. Capital is \$300,000, and surplus (all earned) the same. Now that the bank is doing so well we'd like to see President Joe get after that Iowa association presidency. He has earned it times over.

AMONG Chicago's visitors over the holiday on Monday were Nelson H. Greene of Moline, Charles B. Mills of Clinton, Ia., and E. M. Duroe of Sioux Rapids.

UNION TRUST AND SAVINGS at Spokane, which is an allied institution of the Old National, has taken on quite a spurt in its growth. Trust accounts now amount to \$5,123,846.85. This is the bank of which W. J. Kommers, who formerly was "building commissioner" for the Old National, is cashier. He has made a pretty good record in both institutions.

CHARLES G. DAWES, down at Palm Beach, took a fly across the waters of Lake Worth. He did not go in a gas machine, mind you, but in a regular mechanical flyer, which shows that Mr. Dawes believes that for some things, at least, gas has a rival.

CHICAGO newspapers are having a great deal of sport with the "black art" banker, who sold tricks and magic to his depositors as a quicker way of getting title to their money than having them deposit it. He called his institution a "savings bank," and on his letter-heads he referred to himself as "Grand Vizier of the Prince of Darkness."

MR. PUPAUSKY'S "bank" episode would have attracted a great deal more attention had it not occurred within forty-eight hours after the disappearance of "Banker" Mason from the "Wilson Avenue Bank."

YOUR uncle Dinwiddie continues to do good things in spreading the savings bank gospel in and around Cedar Rapids. His latest is an offer to furnish free blank deeds, mortgages, releases, contracts, leases, notes, and other legal documents, to customers or prospective customers of the bank. Report has it that this brought a considerable number of callers and a large amount of new business.

MR. DINWIDDIE also offers to perform a great many services for his patrons without charge, such as figuring up interest, settling accounts, drawing up papers and advising with administrators, executors and trustees. In fact, he has a long list of things in his free service department.

AMERICAN NEWS COMPANY has printed at twenty-five cents a copy a booklet protesting against what is called "Our Fifty Year Experiment in Mixing Politics with Finance."

IT is a very clever booklet on the subject of separate reserve associations as a substitute for the proposals of the National Monetary Commission. The author is J. Howard Cowperthwait, the author of "Money, Silver and Finance," and other works of a similar nature.

"BUSINESS EXPERIENCE" is a little leaflet issued weekly by the Everett Audit Company of 79 West Monroe Street, this city. It purports to be "priceless," and it is. It usually contains about half a dozen short articles touching upon the science of accounting, keeping cash records, reporting for federal taxes, and kindred subjects. The current issue has an article on "Borrowing More Money," and telling of circumstances where

country bankers bought valuable commercial paper after city banks had declined. There is no charge for the paper. The last issue contains commendatory letters signed by George M. Reynolds and Chauncey J. Blair.

"HARPER'S WEEKLY" is having considerable fun over its prediction that just as soon as Col. Roosevelt learned women had votes, he would declare himself in favor of women suffrage. The joke is that the Colonel promptly did it.

NORTH DAKOTA has a "Better Farming Association," with headquarters at Fargo. The association and its work are being strongly supported by the bankers of the Northwest.

AS an offset of the Chapman-Harris propaganda of teaching farmers how to farm, a certain farmers' organization has started out to show bankers how to bank. In short, they are distributing literature descriptive of what they think they are entitled to, under the head of "Agricultural Banking."

CITY BANK AND TRUST COMPANY at Mobile, publishes a monthly for free distribution, called "The Progressive Banker." The current issue is called the "Depositor's Number," and is a very worthy publication.

D. ARTHUR BOWMAN & CO. of St. Louis have issued a booklet entitled "The Trend of Investment," which is devoted chiefly to railroad bonds and land-development subjects.

IRVING SHUMAN, cashier First National Bank, Sullivan, Illinois, patriotically assisted at the Iroquois Club's reception to Governor Woodrow Wilson, held at the La Salle Hotel on Lincoln's birthday.

H. R. AISTHORPE, cashier First Bank and Trust Company, Cairo, called on Chicago banking acquaintances Saturday. Mr. Aisthorpe says they have had their share of cold weather in their section of Illinois during the past two months.

MR. AND MRS. CARL WEIL of Lincoln, Neb., visited the financial district on Saturday. Mr. Weil is assistant cashier of the National Bank of Commerce at Lincoln, and reports business as being in satisfactory condition in their section of the country.

MILWAUKEE bankers will kindly note the fact that we have engaged a new correspondent from that point. Chalmer B. Traver, at present with the "Milwaukee Sentinel," has taken the place of Mortimer I. Stevens, whose other engagements have become so pressing that he was obliged to give up the work. Mr. Stevens occupies a strong position with the financial men of Milwaukee and Wisconsin, and will continue to take a warm interest in the affairs of THE CHICAGO BANKER. Mr. Traver has been employed on the different newspapers of Milwaukee, and has a large acquaintance among the bankers of that city. It will be his endeavor to give us a high-class letter from that point, including personal items about banks and bankers, which have been made such a feature in this publication.

GEORGE M. REYNOLDS has telegraphed his membership in the new Taft Club, of which D. R. Forgan is chairman. Mr. Reynolds has been an ardent Taft supporter, and believes the governmental policies are safe in his hands. This move on the part of Mr. Reynolds will add greatly to the strength and security of the president in his campaign for renomination. Bankers, as a rule, believe there is too much puff and powder about the third term matter to merit serious attention, and most of them prefer a substantial, quiet and effective executive in preference to a noisy and meddlesome one.

DOCTORS of Chicago soon will meet in a city convention to try to figure a title for a new disease. It will be something like "private bankeritis," such as now seems to afflict "Banker" Mason, and which became almost an epidemic in South Chicago on Thursday.

"BANKER" MEDOSII at 9458 Ewing Street, took to his bed on Wednesday because of "a gathering of depositors in front of his place of business, who threatened violence." It is astonishing what a sensitive condition of health develops in depositors in these small "banks" beginning earnestly for their money.

MR. MASON is confined to his bed at the house of relatives, and probably is suffering from this new disease. John C. Cunningham, who is investigating the bank's affairs for the Central Trust Company as receiver, is quite anxious to have the assistance of the sick man. Mr. Cunningham is quoted as saying: "If the bank were a state or national institution, there would be plenty of ground for a criminal prosecution." He further said: "But it is a private bank, which means that what action will be taken depends upon the depositors and the creditors entirely."

THIS merely piles up additional reasons why there should be state supervision, so that when a banker misappropriates the funds of his depositors, he not only can be but will be punished immediately. Furthermore, under state supervision depositors have a claim against the assets of the bank, whereas in the case of a private bank, they have a claim against only his estate, along with those to whom he may owe money in real estate deals and other matters of investment or speculation.

RUMOR has it that Mr. Mason has been active in the grain and stock markets recently, and that this adds greatly to the confusion in settling his estate.

PLEASE recall the explanations which have been volunteered in the "banker's" behalf. First, his telegram explaining his absence was not delivered; second, he went to the rescue of the widow of a deceased friend; third, he is confined to his bed by an illness, which the doctors probably will call "private bankeritis."

NOT any one of these excuses is in the least legitimate. The facts chiefly are that Mr. Mason is not a banker; had no capital and no experience, and never should have been permitted to open anything resembling, and certainly nothing called, a bank, whereby he might deceive and delude the public.

CASHIER.

NATIONAL CONVENTION AMERICAN INSTITUTE OF BANKING

For the national convention of the American Institute of Banking which will be held this year at Salt Lake City on August 21st, 22d and 23d George A. Jackson of the Continental and Commercial National of this city will be chairman of the committee on transportation. The following are members of his committee: H. E. Hebrank, of the Union National, Pittsburgh; A. R. Stinger, of the First National, Portland, Oregon; D. C. Borden, of the Holston National, Knoxville, Tenn.; R. W. Lindeke, of the National German-American of St. Paul, and I. L. Bourgeois, of the Chelsea Exchange Bank, New York. Mr. Jackson has been reappointed chairman of this committee for the sixth time. A good time is promised to all delegates who attend. Numerous side-trips, such as visits to Yellowstone Park, or Cripple Creek, etc., will be arranged.

ALL BRANCHES OF BANKING



1857

1912

ORSON SMITH	-	-	-	President	P. C. PETERSON	-	-	Assistant Cashier
EDMUND D. HULBERT,	-	-	-	Vice-President	C. E. ESTES	-	-	Assistant Cashier
FRANK G. NELSON	-	-	-	Vice-President	LEON L. LOEHR	-	-	Sec'y and Trust Officer
JOHN E. BLUNT, Jr.	-	-	-	Vice-President	F. W. THOMPSON,	-	-	Mgr. Farm Loan Dep't
J. G. ORCHARD	-	-	-	Cashier	H. G. P. DEANS	-	-	Mgr. Foreign Dep't

CAPITAL AND SURPLUS - \$9,000,000



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

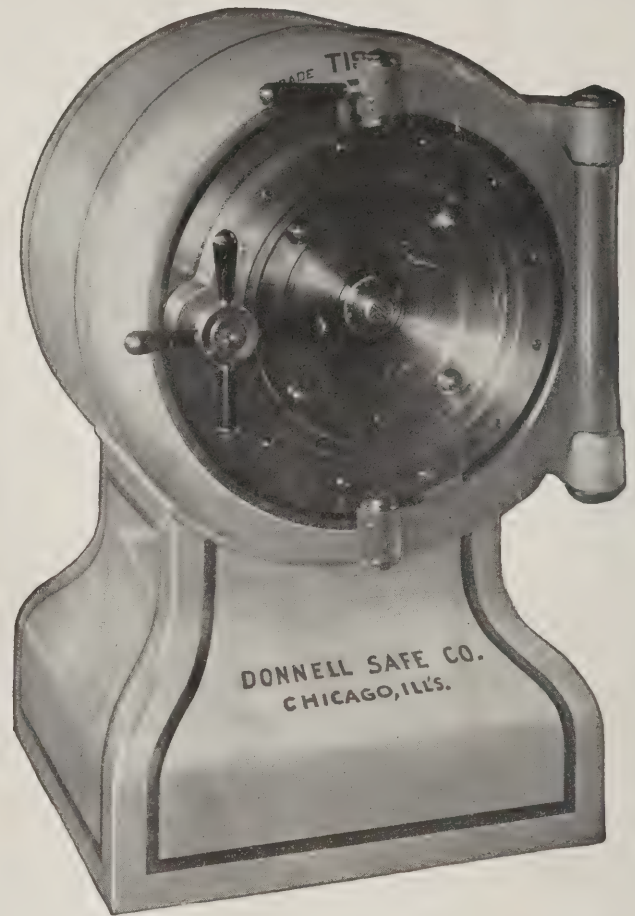
THE NATIONAL CITY BANK OF CHICAGO

Capital, Surplus and Undivided Profits \$ 2,500,000.00
Resources - - - - - 29,300,000.00

OFFICERS

ALFRED L. BAKER	-	-	-	DAVID R. FORGAN, President	HENRY MEYER	-	-	Assistant Cashier
H. E. OTTE	-	-	-	Vice-President	A. W. MORTON	-	-	Assistant Cashier
F. A. CRANDALL	-	-	-	Vice-President	WM. N. JARNAGIN	-	-	Assistant Cashier
L. H. GRIMME	-	-	-	Cashier	WALKER G. McLAURY	-	-	Assistant Cashier
W. T. PERKINS	-	-	-	Assistant Cashier	R. U. LANSING	-	-	Manager Bond Dept.
W. D. DICKEY	-	-	-	Assistant Cashier	M. K. BAKER	-	-	Asst. Manager Bond Dept.

Donnell Safe Co.



General Western Agents for the York Safe & Lock Co., who have the best-equipped safe factory in America. Their Manganese safes are superior to any in the market. We sell these safes subject to a test against any Manganese safe made and will guarantee all our work equal, if not superior, to any made. We can refer you to any banker in Chicago. We carry the largest stock of bank safes in Chicago. Burglar vault doors, vault linings, burglar safes that have been used always on hand. A large lot of second-hand deposit boxes that are modern and good as new.

227-229 Washington St., Chicago, Illinois

Fourth Street National Bank OF PHILADELPHIA

Capital - - - \$3,000,000.00
Surplus and Profits 6,500,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board
E. F. SHANBACKER, President FRANK G. ROGERS, Vice-President
JAMES HAY, Vice-President R. J. CLARK, Cashier
B. M. FAIRES, Vice-President W. A. BULKLEY, Assistant Cashier
W. K. HARDT, Assistant Cashier

The Girard National Bank OF PHILADELPHIA

Capital - - - \$2,000,000.00
Surplus and Profits 4,585,000.00
Deposits - - - 40,000,000.00

FRANCIS B. REEVES, President

RICHARD L. AUSTIN
Vice-President

JOSEPH WAYNE, Jr.
Cashier

THEO. E. WIEDERSHEIM
Second Vice-President

CHARLES M. ASHTON
Asst. Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

FEBRUARY 24, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

At Washington

Chairman Joseph Chapman has called a meeting of the A. B. A. committee on agriculture at the Williard Hotel, Washington, for 10 A. M., Wednesday the 28th inst. The committee has been invited to appear before the congressional committee on agriculture on the 29th. The hearing will be on the McKinley farm demonstration bill, and others of like nature. Not less than ten will leave Chicago on Tuesday the 27th. Secretary Edens has made reservations on the Pennsylvania.

WEIL ROTH GET PARK BONDS

The firmness of the municipal bond market is shown in the announcement that \$90,000 4 per cent South Park Commission of Chicago bonds were awarded to Weil, Roth & Co., at par, less \$129 for expenses. This makes the net price 99.856 per cent. The proceeds of the bonds are to be used for street paving along park property.

MONEY SITUATION BRINGS NEW ISSUES

Showing that the corporations are taking advantage of the plentiful supply of loanable funds to bring out many delayed issues and place themselves in position to carry on new work, the total authorized capital issues within the last ten days approximated \$215,000,000, while new securities issued or about to be placed on the market aggregated about \$80,000,000. In January the authorizations footed up \$516,892,675, while the output of capital issues broke all preceding records for the opening month of any year, amounting to \$340,892,896. Under the circumstances, February promises to be another big month in this respect.

SULLIVAN GROUP MEETING POSTPONED

The meeting of Group 7, Illinois, called at Sullivan for Thursday, was postponed by President Shuman, for the reason that trains were running only at intervals and his chief orators were "snowed in" at Chicago. A later date will be announced.

THE DAY OF THE BIG STORM

Chicago visitors to the financial district Wednesday included F. F. McElhinney, president Black Hawk National, Waterloo; Wilson H. Doe, cashier Home National, Elgin; Feo. W. Boyden, vice-president Farmers State, Sheffield, Illinois; Walter A. Rosenfeld, vice-president Rock Island National, Rock Island, and W. H. Holzinger, president Bank of Annawan and cashier of the Geneseo Savings, Geneseo, Illinois.

GROUP 8, ILLINOIS, JUNE 5TH

Group 8, Illinois Bankers, will meet at Jacksonville on June 5th, as decided at the meeting of the group executive committee on February 12th, at Quincy. J. L. Miller, secretary, will send out programs as soon as the committee having the matter in charge shall make its report.

Bankers in the Public Eye



LOUIS G. KAUFMAN
NEW YORK



JOSEPH CHAPMAN, JR.
MINNEAPOLIS

THE great Northwest has produced two of the "attractive" bankers who are much in the public eye today. They attract both financial and moral support to the things in which they are interested. **Mr. Kaufman** comes from Marquette, in fact still is president of the First National there. He hasn't been a New Yorker quite two years, yet he has doubled up two nationals into one strong one, and now it is announced he has amalgamated two state banks into one which will operate as an ally to the national. Keep your eye on Mr. Kaufman. **Mr. Chapman** is a deliver. He dug up the chapter movement and the "express money order fight." Now he gets express packages simply addressed "To the Farmers' Friend, Minneapolis." Fruit has been born of his farmer movement. He spoke last month to the Des Moines Bankers' Club, and last week to the Bankers' Club at Kansas City—all on farming. The A. B. A. is on the work, and Chapman is the chairman of its committee. Yes, and his friends are booming him for chairman of the executive council next year (if they wait that long), with every chance of winning out.

"Banker" Mason

William A. Mason, head of the defunct Wilson Avenue Bank, was examined at some length Friday morning by Attorney John C. Farwell representing the depositors of the insolvent institution, and by Archibald Cattell for the receiver. The examination was conducted in the presence of a court reporter in Room 462, Monadnock Block. During the course of the quizzing it developed that the "banker" had made some speculations in the stock and grain markets, resulting in his loss of about \$2,000. The witness stated that he never had kept any record of his various plunges. These operations were extended over a period of the last six months. When questioned as to the reason for his leaving Chicago, and taking a large amount of money from the vaults of the insolvent Wilson Avenue "Bank," Mr. Mason was unable to give a satisfactory explanation. He stated that he had had a nervous breakdown, and that he had passed through a period when he did not know what he was doing; that when he came to, he found himself in a hotel in Buffalo. He also was unable to give a satisfactory ex-

planation of the discrepancy between the moneys received as deposits during the time he was conducting his private "bank," and the amount of his disbursements during such period. When questioned as to whether he had any available money at the present time, he stated that he had about \$2.50. The examination will be resumed on Monday morning at ten o'clock.

TWO BANKS IN NEW QUARTERS

The North Avenue State Bank announces the opening of the bank's remodeled and enlarged rooms in its building at North Avenue and Larabee Street.

Glen Ellyn State Bank will open their new banking room this (Saturday) evening. The remodeling has brought counting room, vaults and fixtures right up to date.

ORGANIZE A BANK AT BREMEN

The State Bank of Bremen was organized on Saturday at Tinley Park, Ill. The bank, the first organized in the township of Bremen, will have a capital stock of \$25,000. Christian Andres is president.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

OFFICERS

GEORGE M. REYNOLDS
President

JOHN JAY ABBOTT
Vice-President

GEO. B. CALDWELL
Vice-President

CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
Circulars on application

105 South La Salle Street

CHICAGO

WEIL, ROTH & CO.

CINCINNATI AND CHICAGO

Municipal **BONDS** Netting 3.80 to 5.50%

Corporation **BONDS** Netting 5 to 6%

Short or Long Maturities

INQUIRE FOR LIST OF OUR HOLDINGS

115 South La Salle Street

CHICAGO

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital - \$2,000,000

Surplus - 500,000

Deposits - 25,000,000

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
THOMAS E. NEWCOMER, Asst. Cashier
HARRY LAWTON, Manager Foreign Department

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....\$ 9,887,954.84
February 5, 1909.....11,617,691.24
March 29, 1910.....15,041,357.21
March 7, 1911.....21,574,956.79
June 7, 1911.....23,137,746.88
September 1, 1911.....24,500,075.82
December 5, 1911.....25,445,199.89

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Drovers Deposit National Bank

OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-eight years rendered Efficient and Quick Service to its Correspondents

Resources, Nine Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER
GEO. M. BENEDICT
WM. C. CUMMINGS



Mainly About Banks and Bankers

AFTER this week it is "open season" for the private bankers in the State of Illinois. On Tuesday morning the membership of the state association received a communication from President B. F. Harris asking for categorical replies to certain questions propounded in the circular. Mr. Harris wants to know exactly how the bankers of the state stand on the question of bank supervision.

THE first question, "Do you believe in state supervision of all forms of banking by the state, except national?" will put the banks of Illinois squarely on record either as advocating the present reign of unsupervised banking with its accompanying failures, or favoring state supervision of the right kind.

MEMBERS were given an opportunity to express themselves as to whether or not mere restraint reserving the right to use the words "bank," "banker," etc., would be satisfactory. Question four is the real gist of the communication. It reads: "Should Illinois continue to permit unrestricted or 'private' banking?"

IN response to a resolution passed by the Springfield convention the members are asked to declare their position on the question of having a separate banking department for Illinois, thus taking bank supervision entirely out of the state auditor's office, where it is run simply as a department and operates in a very routine fashion.

THE Kansas "Blue Sky" amendment to her banking law, putting all forms of stock and security selling concerns under supervision of the state banking department, is one of the proposals. It is estimated that from three to five hundred illicit concerns would be put out of the way within thirty days by the adoption of such a law in Illinois. The effect its adoption had in Kansas was to cut down the number of investment companies from six hundred to forty. Full details of this law were furnished to the members by Mr. Harris.

IT is important that the members of the Illinois Bankers Association reply promptly. There is to be no evasion of the question. It is not intended to make the answers public, and mere silence will not be interpreted either as favoring or opposing bank supervision. What Mr. Harris wants is a frank, open avowal of the position taken by the paid-up membership of the Illinois association. He is entitled to this by virtue of his office, if for no other reason.

THE examination into the Wilson Avenue Bank by the Central Trust Company, receiver, has revealed nothing very promising to either the depositors or creditors. In the eyes of the law all are classed as creditors. The examiner reports that never in his experience with bank failures has he found so few real assets available as in the present case.

IT is said by those who have been on the inside of this examination that the Wilson Avenue Bank never could have qualified for a

charter, and that at no time during its existence ever could have passed an examination successfully. The lesson in this is that with state bank supervision we never would have had the Wilson Avenue Bank, and if, perchance, it had been in operation before the law became effective, it would have been closed with the first visit of the examiner. It furnishes an unanswerable argument in favor of bank supervision.

"BANKER" PUPAUSKY was before the United States court on Tuesday of this week, on trial for misusing the mails. In addition to running his private bank, he dealt in "black art," and sold a book to his depositors teaching "how to make a woman love you"; "how to be safe from mad dog bites"; "how a girl may get a sweetheart," and a long string of other deceptive accomplishments.

THIS is the bank in which the cashier charges that even his own private funds were absorbed by the "banker," when he was helping himself to the money of the depositors.

THE South Chicago "banker," Boskopf, remains in seclusion with his bank closed. He probably is suffering from that disease, which comes to "bankers," when they are forced to face their creditors with neither assets nor excuses. "Banker" Mason is in the same condition relatively.

RICHARD HENRY LITTLE in his department of the Chicago Tribune has a fancy story entitled, "Of the Tribe of Pupauskys." It deals with the Chicago private banker, who dealt in "black art" and deposits, exchanging one for the other, to his own great profit.

A YOUNG MAN

who has grown up in a bank
desires to make a change.
Thoroughly familiar with
banking and trust company
business, also bonds, advertising,
real estate and insurance
lines.

References on application.

Address, B-61,
Care of The Chicago Banker

VOL. 1, No. 1, of the "Guaranty News," put out by the employees of the Guaranty Trust, New York, is out and is "very promising." An article by F. W. Ellsworth on "Building a Bank's Business," has the following:

ADVERTISING is merely telling the public what you have in the way of facilities and inviting their use. Some banks, which are still hugging to their breasts an ancient and cadaverous tradition, are afraid to tell the people what they can offer them. Some banks are afraid to tell the people anything at all about their institution for fear of offending this old tradition. Most of the banks to-day that are growing have everlastingly buried this relic of old times, and in a dignified and conservative manner are advertising for new business and are securing it.

J. A. TUBBS, assistant cashier of the National Bank of Monmouth (Ill.), visited Chicago Monday and reports business conditions as being satisfactory in their locality, the deposits running high.

K. N. & K. CO., New York, send out the following summary: "The bank position throughout the United States is unquestionably strong for this season of the year and there can be little doubt that the advances made in connection with the exploitation of 'speculative enterprises' stand to-day at the lowest level of many years. The agitation of a new tariff law is naturally giving some concern to business men but the outlook for the country as a whole is reassuring and the general situation has not to-day the elements of weakness which were present last year and at many previous periods."

MY policy and chief effort, as president, are to bring the Illinois Bankers Association into the field of public service as one of the strongest and most representative of all state voluntary organizations. It owes a public duty, and therefore should justify its existence by proper use of its "talents."—B. F. Harris.

THE A. B. A. committee on field demonstration work, headed by Joseph Chapman, with B. F. Harris, W. D. Vincent and others in the work, will go to Washington, probably on Tuesday, the 27th. There will be a hearing on the field demonstration bills before congress.

CONGRESSMAN McKINLEY of this state will give a dinner to members of the committee of congress and to the visiting bankers. McKinley and Harris are "Champions," and the congressman introduced the bill which Mr. Harris had prepared.

AT a meeting of the board of directors of the Illinois National Bank of Peoria on last Friday, C. A. Anicker, assistant cashier, was advanced to the cashiership and C. J. Seehaas and T. H. Fuchs, tellers, were elected assistant cashiers. Mr. Anicker takes the place made vacant by the election of Wm. C. (Continued on page 31)



COLONIAL TRUST & SAVINGS BANK

La Salle Street, N. E. Corner Adams, CHICAGO

JACOB MORTENSON, Vice-President
EMIL STUEDLI, Assistant Cashier
W. F. DOGGETT, Assistant Cashier

LONDON CABELL ROSE
President

R. C. KELLER, Vice-President and Cashier
H. A. SADLER, Assistant Cashier
WM. J. FELDMANN, Assistant Cashier

We offer a convenient and efficient service to those desiring a Chicago connection

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

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VOLUME XXXII

CHICAGO, FEBRUARY 24, 1912

NUMBER 8

Bill Against "Blue Sky" Banks and Promoters

The "Chicago Tribune" has merged its fight against the loan sharks of Chicago with its contention in favor of bank supervision. Naturally these two subjects ran together when it was discovered that the loan shark trust controls and operates a great number of alleged "banks" and "trust companies." Some of these institutions they boldly have designated as "savings banks." In other cases they have copied almost literally the titles of leading trust companies in this and other cities. This enables the loan shark in his private capacity to tell a constituent who is becoming restless, that his loan can be transferred to a "bank." Then the transfer is made to the "bank," and new notes signed, the rates varying but little from about 5 per cent a month. Following are some of the incidents culled from recent issues of the Chicago daily papers, which bear in this question. They will be printed here without material alteration.

"Savings Bank" a Loan Shark Adjunct

The Chicago Tribune says that one of the worst loan sharks in Chicago operates under the guise of a "savings bank." This fact may have an important bearing on the matter of state regulation of private banks when this subject comes up before the legislature next year.

Some of the past operations of this bank may also result in the throwing of the majority, if not all, of Chicago's hundreds of loan sharks into bankruptcy.

The particular loan shark referred to is the South Side Savings Bank, at 728 West Sixty-third Street. At this location is the "bank." There is also a "city office" at 314 Tacoma building. The "bank" is made up of Louise E. Crews, Lorin H. Bronte, and John E. Breen. One of the Tribune "loan shark" bureau lawyers has sued the "savings bank" and its allies, who have collected \$850 at \$7.50 per week on a loan (often transferred between the sharks and the bank) of \$150, and the original loan still shows nothing paid on the principal. It really is a "horrible example" of what may happen when the use of the word "bank" or "savings bank" is unrestricted and loan sharks are allowed to flourish.

Sues for Return of \$850

Attorney Cermak has brought his suit in equity demanding the return of \$850 paid by these poor people in usury over and above the principal and 7 per cent interest. A temporary injunction has been issued against the South Side Savings Bank, Crews, Bronte, Breen and Hopkins, forbidding them to make any attempt to collect further money from Mrs. Hyde.

The legal propositions involved in this bill in equity have never been decided in Illinois.

New legislation proposed for Illinois which will be aimed at irresponsible banking, loan sharks, "blue sky" promoters and salesmen of valueless stocks. Kansas law approved by prominent bankers of Chicago

It is believed generally that usury once paid cannot be recovered. But if the court of chancery, which professes to do justice unbound by the rigorous technicalities of the common law, gives the relief asked for by Mr. Cermak the end of the loan shark business in Chicago may be in sight.

Every one of the loan sharks in the city exists on usury. They have collected, by threats, intimidation, false representations, conspiracies, and frauds of many kinds, millions and millions of dollars of usury from the poor of Chicago.

If a precedent is established in the South Side Savings Bank case, by which these unfortunates may recover that usury from the plutocratic loan men who have deprived them of it, the loan shark industry will become highly unprofitable.

Plan to Oust "Blue Sky" Banks

The naming of a committee from members of the Illinois Bankers Association to draft a bill for suppression of the "blue sky" and "gold brick" get-rich-quick concerns of Illinois was scheduled for this week.

B. F. Harris, vice-president of the First National of Champaign and president of the state association, sent out circular letters to the members. Unless opposition develops he will appoint a central committee to consider the plans and present a draft at the annual meeting of the association in the fall.

The support predicted by Mr. Harris appears to be materializing. For some time sentiment in favor of the suppression of the swindling establishments operating in Chicago and the country districts has been apparent. The sequence of "bank" failures, most of them in Chicago, has aroused strong sentiment against the irresponsible concerns, neither incorporated nor clothed with any legal authority for accepting deposits.

Mr. Harris hopes to have a new law prepared which will end them both and place enforcement of both sections in the jurisdiction of the state bank commissioner.

Ready to Start the Fight

The members of the Illinois Bankers Association, comprising the leading officers of the national, state, and private banks of the state, are to be asked to join in a campaign against

the "gold brick" investment companies now operating in the state.

Along with this campaign is one against the private banks. Admitting the responsibility of a good many of these institutions, President Harris of the state association insists their present purposes can be followed quite as well under state supervision. At the same time, those which are irresponsible can be driven out. It is significant that in a test ballot last year about one-third of the private bankers who are members of the association signified their willingness to operate under state charters, if this was the will of the association.

Mr. Harris has secured copies of the "blue sky" law passed by the Kansas legislature a year ago and now in successful operation. Copies of this law will be sent to all Illinois bankers, and they will be asked to co-operate in the passage of a similar law by the Illinois legislature at the next regular session.

Provisions of Kansas Law

The Kansas law places under supervision of the state banking commissioner all companies dealing in any way in stocks, bonds or other securities, except for United States and Kansas bonds, bonds of Kansas municipalities, and notes or mortgages on real estate in Kansas.

Before any concern can offer or attempt to sell securities other than these it must register with the state banking commissioner and secure a permit from him. Violation of the law carries a penalty of from \$200 to \$10,000 fine and from one to ten years in the penitentiary.

The banking commissioner is instructed to demand all statements regarding financial conditions, plans, and the nature of the securities to be offered for sale. After examination of these documents he is to make his report. If the report is favorable the company is authorized to begin business. If it be unfavorable the permit is not granted and operation in Kansas is forbidden.

Each month the company allowed to do business is to draw up a trial balance of its condition. This report is open to examination by any stockholder or investor. There also are complete semiannual reports made as of condition of June 30th and December 31st, published by the state. At any time that insolvency is apparent the commissioner is instructed to so notify the attorney-general and the company's affairs are wound up in receiver's control.

Agents Must Register

The investment company also is forbidden to have any agents at work unless they, too, are registered with the secretary of state.

The immediate result of the operation of the law has not been a series of prosecutions. On the other hand, there has been little occasion

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CAPITAL AND SURPLUS, \$10,000,000.00

for prosecution. Whereas there were 600 companies coming under the classification of "investment companies" a year ago, there are only forty-seven which have come under the law. The others have joined an emigration out of Kansas. One of them, whose business with Kansas investors had approximated \$400,000, did not move into an adjoining state, but to make sure of avoiding prosecution retired into Canada.

Kansas Officials Tell of Plan

"A good many of the other concerns have moved into nearby states," said J. N. Dolley, the Kansas banking commissioner, who prepared the bill, "and we are now receiving inquiries from these states as to the purposes and effectiveness of our law.

"I would not be far wrong if I should say that 98 per cent of the investments by Kansas citizens in foreign mining, oil, realty, utilities, and other companies in the past have proved unfortunate. The promoters had no intention of paying interest, let alone the principal. I think that is a condition of the past."

Charles G. Dawes for Supervision

"I do not see that the presence of either section will weaken the other," commented Charles G. Dawes, president of the Central Trust Company of Illinois. "On the other hand, the questions are closely associated and should properly be taken up together.

"As a general thing the swindling concerns which, without paying any attention to the state banking regulations, call themselves 'trust companies,' thus posing as a state institution of the same name, operate in bad securities.

"The state has a duty to its investor just as it has to its savings depositor. Both duties are neglected at present. It is time for a more stringent supervision, and the bankers association would seem to be an efficient agency for starting the reform."

Hutchinson Approves Idea

Charles L. Hutchinson, vice-president of the Corn Exchange Bank, expressed approval of both ideas incorporated in the Harris program.

The adherents of the Harris plan show confidence in the ability of such a law to stand after it is once passed, and point to the success of the Kansas legislation as evidence. They count on the active support of numerous large Chicago banks whose names have been copied by "get-rich-quick" concerns.

Trade on Reputation of Others

Some of these establishments have advertised their second mortgages, their oil, mining, and rubber stocks, their bogus bonds whose only security investigation shows to be a few acres of the surface of Salt Lake or nothing. These offers have appeared over names closely resembling the names of standard Chicago banks, but with a different address, and thus swindlers have traded on the reputation of the standard banks and trust companies to the annoyance of the latter and the eventual dismay of deceived patrons.

At the same time Hempstead Washburne, ex-mayor of Chicago and a director of the Hibernian Banking Association, advocated a law by which use of the words "bank" and "banker" will be prohibited, except to those who have state or federal charters.

"Without knowing the merits of the Mason bank on Wilson Avenue, it is but one more example of the lure of the word 'bank' for neighborhood depositors," Mr. Washburne said. "After the crash comes the best that can happen is a receivership and the attendant litigation attached to these ornaments of a failure.

"The 'banker' lives in comfort during the receivership, the victim transfers his credulity and cash to another 'banker,' and the real banker—state or national—whose institution is regulated by statute, and his shortcomings promptly punished by imprisonment, is, in the mind of the confiding depositor, classified with the unreliable real estate dealers, pawnbrokers, loan sharks, and others, because our statutes permit these people to blazon upon windows and stationery the alluring word, 'banker.'

Tries in Vain for Law

"For more than fifteen years I have advocated and endeavored to get our legislature to pass a law which will prohibit the use of the words 'bank' or 'bankers' by any persons, firm, or corporation unless they have complied with the state banking laws, which provide for continued examinations and prison penalty for violations.

"About four years ago my brother-in-law, J. V. Clarke, now dead, who at that time was president of the Hibernian Banking Association, and I went down to Springfield and tried

to get the legislature to pass such a law. We made no headway, however, as the representatives from the country districts opposed such a measure. They came from country towns where most of the banks are conducted in connection with the real estate or insurance business.

"Restrict Use of Name"

"Most any one can call himself a 'banker' under present conditions. I find, upon looking through the classified section of the telephone directory, that there are eighty-five persons or corporations listed as 'bankers.' Few of them are operating under the regulation of the state or federal banking laws. The use of the words 'bank' or 'bankers' by loan sharks, real estate agents, or any one who takes a notion to use the word in connection with his business should be prohibited, unless they are subject to regulation.

"I think when the legislature convenes again an effort should be made to secure the passage of a law similar to the one I have outlined. It would make impossible the present misleading use of the words and would increase the confidence of the people in the established institutions, which are subject to rigid regulations."

Richard P. Hagen of 4303 North Paulina Street, a representative in the legislature from the sixth senatorial district, announced he was having drafted a bill providing a \$5,000 fine for misuse of the term "bank." He may endeavor to drive out private banks altogether by legislation.

Auditors Finish Work

No ray of hope cheered creditors of the Wilson Avenue Bank when the Central Trust Company, the receiver, finished its inventory of the assets.

John C. Cunningham and R. G. Goldbeck, auditors for the receiver, admitted to depositors that the inventory failed to give a more encouraging aspect to Mason's affairs. Later, from inside sources, a statement was made that the bank's total assets, as scheduled by the receiver, would not reach \$12,000, while the liabilities, it was said, would be above \$50,000. Of the assets notes and equities in real estate amount to about \$8,000 and shares of stock of \$4,000. Mason's personal debts have not yet been included in the liabilities.

"Mr. Mason must explain some of his transactions, particularly in real estate, before his affairs are cleared up," said Mr. Goldbeck. "He clearly is insolvent, according to our findings."

Only Four Private Banks in South Carolina

B. J. Rhame, state bank examiner for South Carolina, in replying to our letter of inquiry informs us that there are but four private banks in his state; that "No state, branch or private bank, or individual receiving money on deposit, is exempt from at least one yearly examination." Section 2 of the act of 1906 provides:

"It shall be the duty of the bank examiner, and he shall have power to make a thor-

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Kansas City Bankers Hear Joseph Chapman's Farm Talk

The bankers of Kansas City still have a warm place in their hearts for the "dawg" which has been kicked around so much lately. They have immortalized him in verse and song, and last week at a dinner of the Bankers Club at the Baltimore badges commemorating the self same "dawg" were pinned, silently and reverently, on the lapel of the coat of every one present. The buttons read, "You Gotta Quit Kickin' My Dawg Aroun'," and appended to the button is a miniature "dawg," done in everlasting bronze and suspended by the animal's spinal column. That was the only reference to the Missouri "dawg" on Thursday night of last week.

The Schubert Club of twenty-four voices entertained the bankers with half a dozen artistically rendered selections. Each number was enthusiastically received and, at the close, a rising vote of thanks was tendered the singers.

Rural Education Plan Wrong

That the system of education in the country schools for the last 100 years has had a remarkable tendency to make the country boy and girl dissatisfied with their surroundings and has caused them to drift to the cities in great numbers, leaving the old folks discouraged and often helpless on the farms, was a statement made by Joseph Chapman, Jr., of Minneapolis, Minn., a guest of the club.

Mr. Chapman is vice-president of the Northwestern National Bank of Minneapolis and chairman of the committee on agricultural development and education of the American Bankers Association. He chose the title of his committee for his subject.

"In Minnesota," Mr. Chapman said, "boys and girls are leaving the country and flocking to the cities. Hired help is hard to get and

The chairman of the A. B. A. committee on agricultural development and education tells what has been done and what is planned to better the condition and the income of the farmer and his boys and girls

expensive, and the result has been that many farms have been abandoned, a condition which has existed in New England for some years.

Bankers Essay Reform

"Three years ago the Minnesota Bankers Association set about to investigate this condition. This brought the report that the education the boy and girl was getting in the

country was wrong. In almost every instance it was found that the teacher was a young woman from the city, just out of college. She was there because she had to be; she was discontented, and this had a tendency to make the children still more discontented with their lot in the land of green fields and waving grain.

"The next step was an investigation of conditions at the Minnesota agricultural colleges, which were found purely political. Although the association was told that it would have hard sledding with the board of regents, a letter was written to the chairman and a copy given to the press. There was no reply and when this fact was made public, the chairman advised them to 'keep their hands off.'

How the Plan Succeeded

"We told the regents that we had 'the goods' on them, and that if they would not select a new dean of the school, we would appeal to the republican legislature and 'make the fur fly.' In ten days we had a new dean. That was the first link in the chain of our plans."

Mr. Chapman said there are 19,500,000 school children in the United States, more than one-fifth of the entire population. Of this number 93 per cent are in the elementary grades and 92.3 per cent of the latter are in public schools. Of this original number 5.3 per cent are in high schools or second grade colleges and fewer than 2 per cent are in universities or higher colleges.

"Think of these figures," Mr. Chapman continued, "and realize that our entire educational system here is to prepare a pupil for college, when only 1.7 per cent ever reach there.

"While the last census showed an increase of 16,000,000 in population seven-tenths of that

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ESTABLISHED 1879

S. E. Corner La Salle and Washington Streets

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IN CINCINNATI

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was urban and only three-tenths rural. Hull House, Chicago, recently found 20,000 idle men below the age of 25 living in the cheap lodging houses, sleeping on soggy, wet floors, and these were boys from the country in the city looking for work. At the same time the old folks were trying to sell the farm because they could get no one to run it for them.

System is Blamed

"Our investigation led us to believe that the educational system of this country is to blame for this. For 100 years we have been educating boys away from the farm, inspiring them with an ambition to go to the city to make their fortunes. There is nothing in our country school education to teach the boy or girl to love the country.

"In 1909 Minnesota had 435,000 school children, costing the state \$14,000,000 annually. Of this number four-tenths of 1 per cent were being taught to be producers, and the other 99.6 per cent to be consumers. In 1909 we succeeded in establishing ten high schools in Minnesota, costing \$2,500 a year each, where the children were taught agriculture and domestic science. We had to go into seven states to get teachers for those ten agricultural high schools. At the last legislature we succeeded in establishing twenty more of these schools over the state, and there was a perfect clamor for them. At the state agricultural college now only teachers are turned out. These receive \$2,500 a year, while teachers in the academic grades get but \$750. Twelve states in all now have become interested in this movement. In addition to what we already have, fifty other high schools are doing something in the way of agriculture, domestic science and industrial training.

Means Much to Banks

"If this has proven a good thing for Minnesota—and it certainly has—it is just as good for every agricultural state in the Union. What has Missouri done? Open your eyes! Wake up!"

Mr. Chapman said that this movement should be taken up by the bankers if for no

other reason than a selfish interest. To show the effect of a crop failure on his bank alone, he said that the failure in South Dakota last year decreased the deposits \$5,000,000. He continued:

"Here in the city, if a boy doesn't learn a trade in the schools, where will he learn it? You know the limited number of apprentices permitted by labor unions. Give him the trade right in the schools; let him leave there prepared to earn his living, and not begin at the bottom on starvation wages."

Mr. Chapman said that a committee from the National Bankers Association will go to Washington in a few weeks to urge the passage of the Loeper bill, which provides that the government pay \$6,000 to each state in the Union, the states to appropriate a like sum, the money to be used exclusively in educational extension work among farmers. This is to be increased so that in ten years the government will be appropriating \$10,000,000 for this purpose.

Express Companies Scored

Thornton Cooke, vice-president of the Fidelity Trust Company, before Mr. Chapman spoke made a short talk on "Express Money Orders." He is chairman of a committee of the American Bankers Association of the same name. Mr. Cooke told how the express companies all over the world are in direct competition with the banks. He said that in the small towns these companies never have money with which to cash their own orders.

Mr. Cooke called the express companies "a great branch banking concern, with no known capital, issuing no public statements, with no known system and under the direct supervision of no one."

Mr. Cooke told what the American Bankers Association has accomplished in the way of issuing "travelers' checks, good any place on earth." The Bankers Trust Company of New York is the agent which stands good for all of these travelers' checks, no matter by what bank issued. Many foreign countries also have taken up the plan, using the same agent. Last year \$20,000,000 worth were issued.

"Last year," Mr. Cooke said, "\$700,000,000 worth of express and postal money orders were issued. To offset this the American Bankers Association now is planning a combination domestic-foreign money order good the world over, using some great financial concern to back all as coming from one source.

"There are 25,000 banks in the United States. Of these but 3,000 have agreed to go into the domestic-foreign money order business. It will require more than this to make it a success. We want them all."

BANKERS ELECT OFFICERS

Albany, February 19.—At the final session of Group 5 of the New York State Bankers Association here Saturday night the following officers were elected: Chairman, James A. Reynolds, Kinderhook; secretary, George A. White, Albany. Seymour Van Santvoord, counsel to the Governor, and State Senator Franklin D. Roosevelt, were among the speakers at the annual banquet.

NEW PRESIDENT FOR GUARDIAN TRUST COMPANY

At a meeting of the directors of the Guardian Trust Company, of New York, held February 15th, Edward F. Clark, formerly first vice-president, was elected president to succeed Robert C. Lewis, resigned. The other officers were re-elected. Alfred M. Barrett was elected a director of the company to fill a vacancy.

Keytesville, Mo.—W. E. Hill, one of the most prominent bankers in North Missouri, died last week.

American National Bank Louisville, Ky.

Capital and Surplus, \$1,000,000

LOGAN C. MURRAY, Pres.
CHAS. C. CARTER, Asst. Cash.

R. F. WARFIELD, Cashier
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The purpose of this public offering is primarily to broaden the
market for the outstanding stocks of these companies and to
interest small investment buyers. Telegrams of inquiry may
be sent at our expense.

ANOTHER NEW YORK BANK MERGER

Announcement was made on Tuesday of the proposed merger of the Bankers Trust Company with the Manhattan Trust Company. To effect the consolidation the capital stock of the Bankers Trust will be increased from \$5,000,000 to \$10,000,000. The combined institution, it is figured, will have deposits of about \$160,000,000, thus ranking as the largest trust company in the city.

Of the new stock \$4,000,000 will be sold to stockholders of the company and \$1,000,000 will be issued in exchange for \$1,000,000 of the Manhattan Trust Company's stock.

Following is the statement issued by the Manhattan Trust Company:

"Negotiations, which were considered at the time of the sale of the Manhattan Trust Company's property at the corner of Wall and Nassau streets to the Bankers Trust Company, two years ago, have now been renewed and successfully concluded, and will shortly result in a merger of this company into the Bankers Trust Company.

"By the terms of the proposed merger plan the Bankers Trust Company will increase its capital stock from \$5,000,000 to \$10,000,000.

"Of the new stock \$4,000,000 will be sold to its present stockholders and \$1,000,000 will be exchanged for \$1,000,000 outstanding capital stock of Manhattan Trust Company. The two sets of offices in the new Bankers Trust

Company building will now be thrown into one, and in fact the proximity of these offices has been a factor in bringing about the merger."

The consolidated company will move into the Bankers Trust Company building about the middle of April.

A distinctive feature of the Bankers Trust Company is that its directorate is made up exclusively of officers of the leading banks in the United States. There is no single financial institution in the country which has as directors so many officials of other national banks, banking houses and financial interests, and because of this it has been regarded as a company for banks and bankers only. Twenty-seven bank officials of this city, Chicago, Philadelphia and Kansas City compose this board.

F. H. GOFF ADDRESSES GROUP 8, PENNSYLVANIA

That bank directors should direct, and not be satisfied to be mere figureheads, trusting to the honesty of their officers, when so often bank officers have been found dishonest, was the declaration made to the members of Group 8 of the Pennsylvania Bankers Association at their annual banquet at the Hotel Schenley, Pittsburgh, on Wednesday evening, by President F. H. Goff of the Cleveland Trust Company. He made this declaration in a

straight-from-the-shoulder sort of talk in which he did not apologize for his opinions because some courts have held differently, and he insisted that when men assumed the office of bank director, they should be ready to assume with it the responsibility that morals told went along with it. Bank directors can direct, he maintained, and they should be required to.

Mr. Goff was the principal speaker at the dinner, which was attended by the bankers of Pittsburgh and vicinity and their ladies to the number of five hundred. The social features were not overlooked in the appointments, the music or the handsome cut glass favors, which every woman carried home as a souvenir. The dinner was presided over by H. M. Landis, chairman of the group, and former State Senator John S. Weller was toastmaster, the other speakers in addition to Mr. Goff being former Congressman J. Adam Bede of Minnesota and former Representative M. Clyde Kelly of Braddock. The toastmaster took note of the fact that the dinner was being held on the eve of Washington's birthday, and devoted most of his talk to the "Father of His Country." The statesman from the West made a typical Adam Bede talk, which had no special topic assigned, but which was entertaining from the start; while the member of the legislature from Braddock waxed eloquent and poetic in telling of "The Ideals of Progress."



ESTABLISHED 1902

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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

The opinion of John R. Trevett, vice-president of the Trevett-Mattis Banking Company of Champaign, on the question of farm loan mortgages is especially valuable, as this firm has made a specialty of such business for half a century. Established in 1861 by the late A. C. Burnham as an investment banking house, the present business is well known to loan agents and to bankers of the Central West. The firm name was changed to that of Burnham, Trevett & Mattis, later to that of Trevett & Mattis, and in 1903, when the business was reorganized into a state bank, the present name of the Trevett-Mattis Banking Company was adopted. The bank does a large commercial banking business as well as a colossal farm loan business, and a year ago a handsome new banking room finished in white marble was occupied. The arrangement of the interior places the commercial banking and the farm loan departments on opposite sides of the building with separate staffs for each so that both divisions of the business are on a par from the standpoint of the customer and the visitor. A savings department was recently added.

When asked for a statement regarding the condition of the farm loan business at the present first of March, Mr. Trevett gave the following general review of the situation at a representative of THE CHICAGO BANKER:

March first is the date set by a large percentage of land buyers to close their deals and a large number of loans are yet to be completed—not until after this month will it be possible to gather reliable statistics as to the number and the aggregate amount of mortgages filed.

We are of the opinion the number will be much less, but on account of the increase in size of loans, the aggregate will probably equal that of former years. With land selling at from \$200 to \$300 per acre, the buyer finds it necessary to ask for larger amounts, even though he borrows but one-third the purchase price. The supply of funds seems to be adequate to meet all legitimate demands. In this connection it is interesting to look back over the period of half a century we have been making a specialty of farm loans, and note the change in conditions.

Years ago the loans were held principally by individual investors, but as interest rates de-

clined the private investor sought more profitable, even if more risky, fields and the farm loan business of to-day in Illinois is controlled by corporations, such as the insurance and trust companies and savings institutions, who are more interested in the safety of the investment than in a high interest rate.

Livingston County Bankers Meet

A meeting of the bankers and bank clerks of Livingston county was held at Pontiac with representatives there from every town in the county. A banquet and a talk-fest formed the diversions of the afternoon and evening. C. R. Tombaugh of Pontiac is president of the association; J. C. Corbett is vice-president and Edward Herr is secretary. Both of the latter are from Chatsworth. Among those who attended was Frank L. Smith, president of the First National of Dwight, internal revenue collector at Springfield and candidate for gubernatorial honors in Illinois.

Many Loan Sharks at Joliet

It is estimated that over three thousand persons, or one-seventh of the adult population of the city of Joliet, are in the clutches of the loan sharks against whom such a worthy campaign is now being directed by the press and the public. Sixty per cent of these persons are mechanics and laborers who have been forced to contract loans during the recent period of dullness. Lack of saving in the past is given as one reason for the financial embarrassment of so many laboring people. City and county officials and many public-spirited citizens have joined in the movement and free

legal advice will be given with a view of stamping out the evil.

Edens Speaks at Kankakee

William G. Edens, assistant secretary of the Central Trust Company of Chicago, was on the program as one of the speakers at the eighth annual banquet of the Kankakee Commercial Association. Mr. Edens gave "a talk" on "Commercial Organization." Others who spoke were Bert L. Cooper, of Kankakee; Professor Henry B. Ward, of the University of Illinois, and Judge C. F. Perry, secretary of the chamber of commerce of Quincy.

New Banks in Cook County

A permit has been issued for the incorporation of the State Bank of Oak Park with capital of \$100,000. The permit was issued to C. P. Billings, James Harer and George F. Flessler. The Bremen State Bank of Tinley Park, Cook county, has been authorized to begin business with capital of \$25,000. George Boldt, John C. Andrews and Henry L. Brueggeman are given the permit. Another bank authorized to begin business is the Cook County State Bank of Berwyn, with capital of \$25,000, the permit being given to Henry Pillinger, Edward C. Cronwall and Harold B. Pillinger.

Illinois Notes

Herman A. Husman is the new cashier of

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A Decade of Growth—Comparative

United States	1900	1910	Per Cent Increase
Population.....	75,994,000	91,972,000	21%
Wealth.....	\$88,517,000,000	\$125,000,000,000	41%
Money Circulation.....	2,055,000,000	3,180,000,000	54%
Savings Bank Deposits ..	2,389,000,000	4,070,486,000	70%
National Bank Deposits ..	2,458,000,000	5,287,216,000	115%
Bank Clearings, U. S.....	84,582,000,000	158,559,487,000	87%
Bank Clearings, N. Y.	51,964,000,000	99,257,662,000	91%

Irving National Exchange Bank

	1900	1910	Per Cent Increase
Capital.....	\$ 300,000	2,000,000	566%
Surplus and Profits	100,900	1,797,900	1681%
Deposits	3,446,500	28,360,200	722%
Assets.....	4,108,800	33,347,200	711%

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the Farmers Bank of Ohlman, a few miles south of Pana.

Charleston will vote a bond issue of \$35,000 for improvement of the water-works system. Mason City will also vote on bonds for water-works improvement.

Paul Homann, a schoolboy near Mattoon, is the first lad to file application to enter the corn growing contest in Coles county, the winner in which is allowed to take a five-day trip to the city of Washington at the expense of Congressman William B. McKinley of the nineteenth district. Mr. McKinley is interested in many things in industrial, commercial and political lines, but the improvement of soil conditions is not overlooked by him.

An unidentified robber took \$500 from the Bank of Silvis while the cashier, J. Lee Croder, was at lunch. A larger sum, \$20,000, was omitted by the robber in his haste. Pay-day at the local railroad shops caused the bank to have a large sum exposed. A skeleton key admitted the robber.

A BIG INVESTMENT OPPORTUNITY

New York, February 21.—The well-known banking firm of Henry L. Doherty & Co., 60 Wall Street, New York, is now offering for public subscription \$750,000.00 of Ozark Power and Water Company common stock and \$1,500,000.00 Electric Bond Deposit Company 6 per cent cumulative guaranteed preferred stock at the price of \$1,000.00 for \$500.00, par value of Ozark Power and Water Company common stock and \$1,000.00, par value, of Electric Bond Deposit Company 6 per cent preferred stock. Terms of subscription at 20 per cent down and the remaining 80 per cent in four monthly payments of 20 per cent each.

The Ozark Power and Water Company will develop a 15,000 h. p. hydro-electric power on the White River in Southwest Missouri, and already has signed contracts for the full amount of power which will be developed. The Electric Bond Deposit Company is a hold-

ing corporation for high grade gas and electric bonds and preferred stocks, and the monthly dividends of one-half of 1 per cent on its preferred stock are guaranteed by the Gas Securities Company of New York, which has liquid assets of over \$2,800,000.00.

Subscriptions are to be received for the new stocks until March 1st. The success which attended the public subscription to the Cities Service preferred and common stocks offered in November, 1910, by this firm, and the advance, which has taken place in both these stocks since that time, make certain that the present offering will be quickly taken by investors.

AUGUST BLUM TALKS ON "SERVICE"

A talk on banking service, quite out of the ordinary, was made by Vice-President August Blum of the First National at the recent annual dinner to the employees of that bank. Replying to the toast, "Service," Mr. Blum said:

"This evening is given over to happiness and good fellowship, but while merriment and

kindly humor reign the hour, I think that some earnest words may also be fitly spoken. The text from which I am to speak is only a little word but its two syllables contain almost the entire compass of human life, its meaning and its purpose. The standard of man's value is not gold. The degree of his success is not gauged by the size of his bank account. The Good Book does not say 'Well done, thou good and faithful money-maker.' What then entitles us to the crown of merit? Search the entire field of human action, weigh and measure what men are doing and you must arrive at the conclusion that only he is entitled to respect and admiration whose work results in benefit to his fellow men, to his city, to his country, even to unborn generations. In other words, it is the service we render which marks the value of our being.

"Service is the twin sister of labor. The two march hand in hand, but while they closely resemble each other, there is a great difference between them. Labor represents the material side of work. It would be folly to deny or ignore the importance of this material side. We owe it to ourselves and to our families to provide a competency and procure the comforts and decencies of civilized life. But service stands for the ideal side, the spiritual aspect. However humble a man's work may be, the service he renders in the vast household of humankind ennobles it. However exalted leaders may be in the realm of thought or industry or banking or statesmanship, if by word or deed or example they do not help on the progress of humankind, help make the world better and sweeter—then indeed the builders build in vain.

"On the coat-of-arms of the Prince of Wales appears the legend, 'Ich Dien' ('I serve'). You have all heard of that great king, the greatest whom Germany has produced, who was proud to proclaim himself the first servant of the state. We cannot all be kings, but we can all conceive and carry on our work in such a spirit as to raise it to the higher level, where Labor's beautiful sister holds her sway."

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CAPITAL - - - \$500,000
SURPLUS - - - 200,000

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BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

Milwaukee banks report business active and collections satisfactory. Receipts from the country banks are light and there is a good demand for shipments.

Bankers at Republican Meeting

Wisconsin banks were well represented at the gathering of 700 Republicans in Milwaukee this week to do honor to Attorney-General George W. Wickersham and pledge their support to President Taft during the coming presidential campaign. Among those from the state who attended were: L. Albert Karel, president of the State Bank of Kewaunee; Henry Fetzer, president of the Bank of Sturgeon Bay; and A. W. Hamacheck, cashier of the Bank of Algoma. Other visitors to Milwaukee during the week include George W. Burton, president of the National Bank of La Crosse; E. A. Dow, president of the State Bank of Plymouth; George J. Kispert, cashier of the Farmers and Merchants Bank of Jefferson.

New Skyscraper for First National

E. H. Burnham of E. H. Burnham & Son, Chicago architects, is in Milwaukee securing bids for the new skyscraper building of the First National Bank at the corner of Mason and East Water streets. Active building operations will be commenced early in May.

Income Statements Soon Due

George D. Bartlett, secretary of the Wisconsin Bankers Association is reminding all state

banks that statements of incomes for 1911 must be filed before March 1st with the internal revenue collector of the district in which the bank is located. On or before April 1st, each bank is also required to fill out and file with the Wisconsin tax commission at Madison, the state income tax statement. As the new income tax law states that "any bank which has paid taxes during any year upon its shares assessed to the individual stockholders thereof shall be entitled to present the receipt thereof and have same accepted by tax collector at its full amount in the payment of taxes due upon the income of such bank during said year," it is thought that the state income tax will have to be paid only in a few cases as nearly every bank will have paid more personal property tax under the present law than the income tax will amount to.

Notorious Safe Blower Held in Milwaukee

The police of Columbus, Ohio, believe that they have in Edward Lavery, recently arrested in Milwaukee, a member of the famous Lowry gang of safeblowers, which in 1910 pulled off a series of "jobs" in the state of Ohio that netted its members nearly \$25,000 in booty. Lavery was discovered in the house of correction, where he was doing a ninety-day sentence for vagrancy. It is thought that he anticipated renewed activity on the part of the Ohio police and took this means of concealing himself. Among the "jobs" which

he stands accused of participating in, are the robbery of the Hilliard (Ohio) City Bank of \$5,729, the robbery of the Mademore (Ohio) Bank of \$2,900, and the similar looting of six other smaller banks and postoffices in the state. Most of the members of the gang have been rounded up, and are "doing time" at Fort Leavenworth and in the Ohio penitentiary.

Agricultural Extension in Colleges

State bankers are being urged to support the bill now before congress, providing for agricultural college extension appropriations in each state now maintaining an agricultural department of its university. As Wisconsin has already developed agricultural extension work upon an appropriation exceeding that stipulated in the terms of the federal appropriation bill, no additional appropriation will be necessary on the part of the state to make the proposed federal appropriation available.

Forgers Rearrested

Michael Schoner and Hans Boessl, who, it is alleged, fled from Bavaria after forging bills of exchange amounting to \$20,000, have been rearrested by United States Marshal H. A. Weil. The men were arrested last October, Boessl at Athens, Wis., and Schoner in Milwaukee, upon request of the German government. While they were being held pending extradition proceedings, a dispute over the tenure of office of Commissioner Francis Bloodgood led to their release by habeas cor-



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Milwaukee, Wisconsin

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pus and their subsequent arrest by the immigration authorities on charges of being undesirable citizens. Upon their dismissal from this charge on Tuesday they were arrested for a third time on the original grounds.

How to Advertise

"Fifty per cent of the bankers might as well throw their money away as to spend it for the class of advertising they do," said Professor R. S. Butler, of the University of Wisconsin, addressing the Milwaukee Advertisers' Club at a recent meeting. "They continue the same stereotyped method of advertising liabilities and resources, and 90 per cent of the people do not understand that feature of banking. The live bank is the one which advertises in a manner that creates new business."

Madison Bank Merger

A consolidation of the three largest banks of Madison was announced this week. The merger, which includes the Bank of Wisconsin, the Capitol City Bank, and the Merchants and Savings Bank, will give Madison the largest bank in the state outside of Milwaukee. The new institution's capitalization will be nearly \$600,000, while its resources will approximate \$3,500,000.

Explains High Prices

That high prices prevailing all over the civilized world are due primarily to the enormous increase in the world's supply of gold was pointed out by T. M. Wild in an address before the Draper School, Madison.

"The volume of gold in the United States in 1896 was 1½ billion dollars, or \$21.44 per capita," said Mr. Wild. "In 1911 the volume was 3 1-5 billions, or \$34.20 per capita. Under these conditions the economic theory that, other things being equal, prices vary inversely as the amount of money in circulation explains the rise in prices to a certain extent. All external conditions being the same to-day as they were in 1896, prices would have increased exactly 38 per cent, but, owing to other causes, among them the difficulty of marketing, prices, during this time, have increased nearly 60 per cent. The remedy for this situation lies with the organization of the ultimate consumers, as the producers, shippers, and retailers are already organized.

Banking Notes of Interest

The Milwaukee Association of Accountants and Bookkeepers heard a report from the com-

mittee on higher accounting at its monthly meeting in Eagle hall this week.

Vice-President William Bigelow of the First National Bank has left for the Bermuda Islands with his wife and daughter.

Robert W. Bonyge, Denver, member of the National Monetary Commission, addressed members of the Oshkosh Chamber of Commerce on the central reserve association Monday night.

Articles of incorporation of the Exchange National Bank of Oshkosh were approved this week by State Bank Commissioner A. E. Kuolt. The capitalization is \$50,000 and the incorporators are William J. Glatz, J. C. Zentener, and Herman Eilers.

I. A. Abrahams, president of the defunct Abrahams fur store of Seymour, has been arrested on a charge of forgery, William Michelstetter, president of the Seymour State Bank, having sworn out the warrant.

The increase of the capital stock of the Chicago and Wisconsin Valley Railroad Company from \$40,000 to \$484,000 precedes the resumption of construction of the Madison-to-Merrill interurban line this spring, according to officers who have gone to New York to arrange for the shipment of material.

BANK WINS DUQUOIN BOND SUIT

Duquoin, Ill., February 19.—The suit brought by the First Bank and Trust Company of this city against the city of Duquoin for \$13,000, due on bonds issued during the Angel administration, has been decided by Judge B. W. Hope, of the circuit court in favor of the bank.

BANK GUARANTY FOR ARKANSAS

Little Rock, Ark., February 21.—Satisfied from past experience that the legislature will not exact a state banking law, Robert S. Warnock of Columbia county, member of the general assembly for the sessions of 1909 and 1911, announced he has decided to initiate a banking bill, modeled after the bill he introduced in the last legislature, the purpose of which is to guarantee bank depositors against loss through bank failure. He has already prepared 1,000 petitions and the work of securing signatures will begin at once. It is the purpose to have the required number of signatures by May 9th to authorize the submission of the question to the voters at the next general election.

The main feature of the proposed law is that the banks must either contribute to a general guaranty fund, as in Oklahoma, or be liable to depositors to the amount of three times the bank stock held.

EQUITABLE TRUST COMPANY

The Equitable Trust Company of New York City, after March 1st, will occupy the banking rooms of the Trust Company of America at 37 Wall Street, the merger of the two concerns becoming effective on that date. Alvin W. Krech, president of the Equitable Trust Company, has paid over the \$5,000,000, which gives him control of two-thirds of the \$2,000,000 stock of the Trust Company of America, his offer of \$375 a share having been accepted. The owners of the remaining one-third of the stock will receive the same price.

PRIVATE BANKS LICENSED

More than thirty private banks have received licenses under the new law of Pennsylvania. They are located in Philadelphia, Allegheny, Luzerne, Berks, Lehigh, Northampton, Lackawanna, Schuylkill and Westmoreland counties. Fifteen banks filed the required \$50,000 bonds and were exempted under the law. In all, about 125 applications for licenses have been filed by private banks.

The Territorial Trust and Surety Company has begun business in Muskogee, Okla. C. N. Haskell is president. Its banking room is in the Turner hotel building. It was capitalized for \$250,000.

MAN WANTED

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St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, February 21.—Specifically the past week or ten days have developed no change in the local monetary situation, but a gradual betterment is reported in many directions. The demand for funds is improving, and slightly firmer rates are slowly working to the surface. For the moment commercial wants seem to be restricted, and there are various predictions as to how long this will continue. This much is pretty certain, however, that the agricultural needs of the South, principally Texas, this spring are going to be early and heavy. Despite the big cotton crop in Texas, things down there are not in such excellent shape. Prices paid for the crop were low, and a bad feature is that a large and important area of that state had a failure of feed crops, and will have to expend heavily for maintaining farm animals until after the spring plowing. The feed bill in Eastern Texas will be the largest in years, and all this money is going out of the state, with scant prospects of its returning, save in so far as it will help to fertilize the soil. Banks down there have paid-up obligations promptly enough, but they have not the large balances here and at other serve centers which are customary at this season. As a result they will need lots of money, and require it early. Similar conditions exist in parts of Missouri and Arkansas. In parts of the Southwest conditions are fine for the early planting of cotton, while elsewhere they are not so promising, and it is nearing the season when the seed must be put in. On the whole, however, the ground is in good shape, and general outlook for crops is about as good as could be expected at this time.

Husbanding Resources

Several of the large nationals here have been carefully husbanding their resources, and will show heavily in the reserve item at the next call of the comptroller. Speaking of this one of the heads of a bank following this policy said: "Most of our funds are being loaned, so as we can get them in within thirty days. We are satisfied our customers are going to need a lot of money within the next four months, and when the drain begins we will be in a position to meet it. Many of our contemporaries took quite another view, and hold that the present conditions of apathy are going to endure for many months. They scoff at the idea of any near rush for money. Of course it is simply a matter of judgment, which nothing but the sequel can show the wisdom of. We would rather not earn dividends for two or three months more than run the risk of not being prepared. It is true the commercial world is moderate in its needs just

now, but even without a revival, the simple conduct of the economy of the country must soon result in replenishment in the near future.

Bankers Looking Over Texas

A party of St. Louis bank representatives, and bankers from other cities of the Middle West are jaunting around through Texas, for the purpose of getting in touch with conditions and attending meetings in the Lone Star state. Before returning the party will visit all the leading districts of the state, and individually members will stop at Arkansas and Oklahoma points. In the party from St. Louis are R. S. Hawes, the itinerant vice-president of the Third National; F. W. Wrieden, of the National Bank of Commerce; George M. Trumbo and James R. Seawell of the Mechanics-American National; E. M. Hubbard and Wm. B. Taylor of the Boatmen's Bank; I. L. Jones of the Mercantile Trust Company; T. C. Tupper of the Central National; William McChesney Martin of the Mississippi Valley Trust and Con P. Curran of the Con P. Curran Printing Company.

Company Changes Name

At a special meeting of Citizens Savings and Trust Company of East St. Louis this week the name was changed to the Southern Illinois Trust Company. Henry D. Sexton, president of the Southern Illinois National, is the controlling factor in the trust company, and after the first of March the latter institution will share the quarters of the Southern Illinois Bank in its new building at Broadway and Collinsville Avenue.

Candy Company Re-elects

The National Candy Company re-elected all of its officers at its recent meeting. They are: O. H. Peckham, president; A. J. Walter, secretary; F. D. Seward, treasurer; V. L. Price, vice-president; Frank Sibley, vice-presi-

dent. Members of the executive committee chosen were: V. L. Price, chairman, O. H. Peckham, A. J. Walter, F. D. Seward, F. A. Menne of Louisville, A. W. Paris of Minneapolis, and R. M. Bates.

Grain Men Favor Barge Line

St. Louis Merchants Exchange has gone on record as favoring the proposed steel barge line between St. Louis and New Orleans. The organization committee of the line appeared before the Exchange directory to present the proposition in detail to the grain men. There was considerable enthusiasm at the meeting, and to a man the flour and grain men endorsed the enterprise, and specifically promised support in the way of freight just as soon as the barges are in operation.

Financial Institutions Merge

By taking over the general banking business, savings and commercial accounts, of the Commercial Trust Company, the Union Station Bank increases its total resources to something over \$1,000,000. The deal, which has been under consideration for several weeks, was put through in short order after the final negotiations were agreed upon. The Commercial Trust Company will retain its offices at Jefferson and Olive streets, but will devote its energies entirely to a trust and real estate business. It is stated there will be no change in the officers of either company, but a representative of the trust company will be transferred to the Union Station Bank. The Commercial Trust has deposits of about \$250,000. The legal end of the merger was handled through Boogher and White, attorneys. The bank was represented by its president, Charles E. Lane, and Major A. C. Landon acted for the trust company.

Reports are Contradictory

Reports relative to the legal entanglements of the American Bankers Assurance Company are mixed and varied. According to John S. Leahy, attorney for litigants seeking a receivership, the appointment of a receiver has been recommended to the Chancery Court at Wilmington, Del., by the special master appointed by the court to inquire into the proceedings. A recent news telegram from Wilmington stated that exactly the reverse had been recommended by the master. Leahy says the master finds that it would be improper to dismiss the suit because A. C. Landon, president of the company, and others who purchased the Missouri Farm Colony land bonds held by the company might thereby escape personal liability. These bonds have

Our correspondents are pleased with the care we take of their business at the St. Louis National Stock Yards, because it is *thoughtful*, not mechanical.

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The National Stock Yards National Bank
National Stock Yards - Illinois

The Chatham and Phenix National Bank of New York

192 BROADWAY

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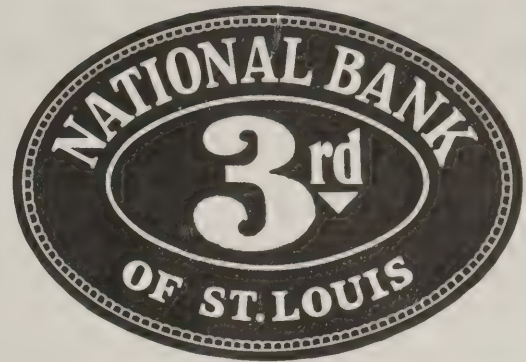
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Capital and Surplus \$3,000,000.00

We invite the accounts of Banks, Bankers, Manufacturers, Merchants and Individuals



CAPITAL
\$2,000,000

SURPLUS
\$2,000,000

DEPOSITS
\$35,000,000

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TRAVELERS SHOULD CARRY

K. N. & K.

Letters of Credit and Travelers' Checks

Available Everywhere

Your own Banker can supply them

KNAUTH, NACHOD & KÜHNE, Bankers
NEW YORK LIEPZIG, GERMANY

been one of the main issues in the fight. The Delaware suit was brought by the attorney-general at the instance of the state insurance department. In addition actions have been brought in the St. Louis courts.

Mercantile Buys Bonds

The Mercantile Trust Company has purchased the \$100,000 bond issue of the Fulton, Mo., special eight-mile road district, paying a premium of \$755. This is one of numerous municipal obligation issues, which have been taken by local financial institutions and bond houses. The issues cover improvements in Missouri, Arkansas, Texas and Oklahoma. Since the first of the present year the total of such purchases will run well over \$1,000,000.

National Bank of Commerce

The Wayne Iron Company, Charles W. Hays and others have brought suit in the St. Louis circuit court to restrain the National Bank of Commerce from selling securities amounting to \$500,000 to satisfy certain notes. The plaintiffs allege they purchased the securities from James T. Long and the Holliday-Klotz Land and Lumber Company, and assumed indebtedness owed by Long and the Holliday Company to the bank and the Hamilton Investment Company, which is controlled by the bank or its officers. The securities comprise \$400,000 bonds of the Holliday Company, \$56,000 bonds of the Williamsville, Greenville & St. Louis Railway Company and 211 shares of stock in the Williamsville company. The indebtedness against this collateral is \$264,000.

C. H. Huttig Improving

Advices received at the Third National from Charles H. Huttig, president of that institution, are to the effect that he is rapidly work-

ing back into complete health. Mr. Huttig is still in New York, and will not return to St. Louis until his recovery is absolute, but he is riding and driving and enjoying all the diversions of the Metropolis, and his weight has gotten up to 160 pounds, very near normal.

WOULD CHANGE BANKING LAWS

Austin, Texas.—Commissioner of Insurance and Banking Gill has reached the conclusion that a change or amendment is needed to the state banking law which will provide that no state bank shall be chartered and organized in Texas with less than \$25,000 capital stock, and intends to make this recommendation to the thirty-third legislature. The commissioner claims that these small banks, with a capital of only \$10,000, are always a source of much trouble to the department. Of course he does not mean to say that all such banks worry the examiners and the department, but quite a large percentage of them come within that classification. The commissioner believes that a capital stock of \$10,000 is not sufficient back-

ing for a bank. It is impossible to employ first class men to look after the business of such a small institution, as the volume of business is not generally great enough.

Another matter which the commissioner has under consideration is a proposed recommendation to place certain banks now operating in Texas with charters granted by the legislature prior to 1876, under state supervision. Up to that period a banking corporation could obtain a charter to conduct a banking business without such bank being under the supervision of the department of banking. There are now about fifteen of these ancient banking institutions operating in the state, all of this period. These banks may operate without being subjected to the supervision of the commissioner of banking, and the only check placed upon them is a provision in the law which gives authority to the attorney-general to make investigations of affairs of such banks whenever it is deemed advisable. The commissioner believes that these banks should be subject to examination by the state bank examiners. During the session of the thirty-first legislature a bill was introduced in the house having for its object the placing of these banks under the supervision of the department of insurance and banking. The bill passed the house and passed the senate, but a vote to reconsider prevailed in the senate and the bill was returned to the committee, where it finally died. There was considerable opposition developed to the measure during its consideration in the senate. Some of these banks have amended their charters many times since they were incorporated and in many instances the names have been changed, capital stock increased or decreased as the case may be.

BANK FIXTURES FOR SALE

FOR SALE—About 40 feet marble fixtures, practically new. Low price. Quick delivery. Can be changed to suit. See sample in this office. Send diagram of your room. For particulars address or call

CHICAGO BANKER OFFICE
407 Monadnock Block CHICAGO

Editorial Comment

HOW IT CAN BE DONE

There are many adages in the English language intended to teach that there are more ways than one of doing a thing and doing it properly. Several of our western states, and New York and Pennsylvania among the eastern states, have attempted to restrict by law the use of the words "bank," "banker," etc., to incorporated institutions. South Carolina discovered a much neater and more expeditious way of decapitating the obstreperous near banker. It passed as a part of its corporation law and as a part of its banking law a statute which explicitly declares that "Every company, association, person or persons not incorporated under any law of this state, or of the United States, for banking purposes, who shall keep an office or some place of business and engage in the business of loaning money, receiving money on deposit, buying and selling bullion, bills of exchange, notes, stocks, or other evidences of indebtedness, with a view to profit, shall be deemed a bank, banker or bankers, within the meaning of the provision of this chapter." That little joker put every bank in the state of South Carolina under the laws which provide supervision and inspection for banks and bankers, and brought private banks into a position where they must pay their full share of taxes on capital, deposits, and other funds employed in their business. In other words, they are taxed just the same as state banks are taxed, and are supervised and inspected just the same as state banks are supervised and inspected.

For the purpose of taxation, all unincorporated banks in South Carolina are obliged to make out a sworn return giving a full account in detail, covering notes, bills receivable, paper discounted, cash items, stocks, bonds, real estate and the average amount of all deposits made with them. These are averaged for the different months in the year, and with certain exemptions, furnish the basis for the amount upon which taxes shall be assessed and paid. It may be possible that some of the western States which have failed to restrict the use of banking titles may yet find it more easy to classify unincorporated banks as real banks, and thus put them under the banking law. This probably would have the same effect in other states that it had in South Carolina. There remain but four private banks in the state, and three of them maintain a capital and surplus, just as do the state banks, make all of the usual reports to the state bank examiner, and pay their fair share of taxes, just the same as do all other banks. This matter of taxation has been a red-flag to the unincorporated bankers of Illinois for a long time. They do not seem to feel that they have been paying as large an amount of taxes as private bankers as they would be compelled to pay as state bankers. Furthermore, the profits are all their own, whereas as state banks, there might

The Chicago Banker

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406-7-8-9 Monadnock Block, Chicago

SUBSCRIPTION \$5.00—10 CENTS A COPY OF NEWS DEALERS

HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

be stockholders who would claim a share of the dividends. The objection to maintaining a known capital in the business and keeping the funds separate from the private funds of the banker are other matters which look like treacherous grounds to many.

The South Carolina statute provides very severe penalties for making excessive loans to officers and directors, for making false statements and for evading taxation. For any of these offenses the law provides that the guilty person "shall be punished by fine or imprisonment, or both fine and imprisonment, at the

discretion of the court." In the news columns of this paper will be found a summary of the South Carolina banking situation, so far as state supervision is concerned. This was prepared by State Bank Examiner Bryan J. Rhame.

DONALD R. RICHBERG

The Chicago Progressive Republican League has endorsed Donald R. Richberg of this city for the office of state's attorney. This organization is made up of those who have favored such progressives as Roosevelt, La Follette, Merriam, Jones and others. They are a power in this city and county. Mr. Richberg is a son and law partner of his father, John C. Richberg, national expert in uniform legislation matters and leading tax authority of this city. There will be numerous other candidates for the same office at the coming primaries, but Mr. Richberg will receive the support of the members of the organization which has placed his name on their ticket, and ought to be supported by all those who desire to be sure of a clean, able and persistent administration of this most important office. He has no known alliance which could claim any favors at his hands. The progressive republicans are not the kind to seek to tie up their candidates to anything but a plain, practical administration of the laws as they at present exist.

THE DYNAMITE CONSPIRACY

As a culmination of the arrest and conviction of the McNamaras, the United States government has unearthed evidence of a gigantic conspiracy of the International Association of Bridge and Structural Iron Workers for preventing the employment of non-union labor, by dynamiting the work done by it, and thus seeking to deter employers from patronizing such help. The existence of such a conspiracy has been suspected for some time, owing to the fact that non-union men always were employed on the buildings, bridges, etc., which were the objects of the work of these arch-fiends. After the conviction of the McNamaras, the national government, at Indianapolis, the headquarters of the iron workers' association, backed by the department of justice at Washington, determined to get at the bottom of this great conspiracy. The federal courts have but little jurisdiction in a case of this kind, the matter being almost entirely for the state courts. The only point which confers any jurisdiction on the United States is this: There is a federal statute prohibiting the transportation of explosives on passenger cars engaged in interstate commerce, and another against conspiracy to violate any law of the United States. While the transportation of explosives on passenger cars is in itself a serious offense, the ultimate results accomplished by means of such material are far more

Convention Dates

FLORIDA—Key West, April 4 and 5; Secretary, Geo. R. DeSaussure, Jacksonville.

TEXAS—San Antonio, May 7, 8 and 9; Secretary, J. W. Hoopes, Austin.

OKLAHOMA—Tulsa, May 10 and 11; Secretary, W. B. Harrison, Enid.

ARKANSAS—Little Rock, May 14 and 15; Secretary, Robert E. Wait, Little Rock.

ALABAMA—Mobile, May 17 and 18; Secretary, McLane Tilton, Jr., Pell City.

MISSOURI—Joplin, May 21 and 22; Secretary, W. F. Keyser, Sedalia.

KANSAS—Topeka, May 23 and 24; Secretary, W. W. Bowman, Topeka.

CALIFORNIA—Long Beach, May 23, 24 and 25; Secretary, F. H. Colburn, San Francisco.

NEW YORK—Buffalo, June 13 and 14; Secretary, William J. Henry, New York City.

MINNESOTA—State Agricultural College, St. Paul, June 14 and 15; Secretary Charles R. Frost, Minneapolis.

IDAHO—June 17, 18 and 19; Secretary, L. A. Coote, Boise.

PENNSYLVANIA—Bedford Springs, June 18 and 19; Secretary, D. S. Kloss, Tyrone.

VIRGINIA—Old Point Comfort, June 20, 21 and 22; Secretary, Walker Scott, Farmville.

SOUTH CAROLINA—Charleston, June 21 and 22; Secretary, Lee G. Holleman, Anderson.

OREGON—June 21 and 22; Secretary, J. L. Hartman, Portland.

SOUTH DAKOTA—Belle Fourche, June 26 and 27; Secretary, J. E. Platt, Clark.

NORTH DAKOTA—Jamestown, June; Secretary, W. C. Macfadden, Fargo.

WISCONSIN—Milwaukee, July 24 and 25; Secretary, George D. Bartlett, Milwaukee.

American Institute of Banking—Salt Lake City, Utah, August 21, 22 and 23; Secretary, A. C. Dorris, Nashville, Tenn.

American Bankers Association—Detroit, week of September 9-14; Secretary, Fred E. Farnsworth, 11 Pine Street, New York City.



The Northwestern National Bank

MINNEAPOLIS, MINNESOTA

Capital and Surplus \$5,000,000.00

OFFICERS

EDWARD W. DECKER	-	WM. H. DUNWOODY, Chairman of the Board	-
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A. V. OSTROM	-	W. M. KOON	- Assistant Cashier
		S. H. PLUMMER	- Assistant Cashier
		H. J. RILEY, Assistant Cashier	

grave. The punishment, which the federal government can impose is inadequate for the crimes committed by these degenerates, who make murder their profession. The penalties appear to be limited to two years for each offense. The only possible hope of the infliction by the national government of sufficiently severe punishments, is that cumulative penalties may be imposed upon offenders guilty of separate criminal acts. The prosecution and punishment of those guilty of this reckless and malicious disregard for human life are matters lying within the jurisdiction of those states in which the crimes were committed. It is high time state authorities were stirred to action by these disclosures, and that they vigorously prosecute the offenders. If convicted, they should have meted out to them the extreme penalty of the law, as a deterrent against the future commission of such acts. It is incredible that we Americans, living in our advanced stage of civilization, should have in our midst men with such debased and degenerate characters. This wholesale perpetration of homicides reminds one of the days when one studied ancient and medieval history. It is up to the states to get busy and to rid the community of these social parasites.

FOR WILSON

Oklahoma is a long way from New Jersey and only a long jump from Missouri, yet Governor Wilson won out at the state primaries nearly two to one over Champ Clark. Harmon was among those who "also ran." The county primaries were held last week to select delegates to the democratic state convention, which will select delegates to the national convention. Wilson carried 32 counties, with 252 delegates; Champ Clark carried 22 counties, with 200 delegates; 16 counties, with 120 delegates, sent uninstructed delegates, and Harmon carried one county, with 16 delegates. Wilson's big popular lead over Champ Clark, who lives in Missouri, next door to Oklahoma, foreshadows the Jersey man's triumph in the state convention. Now that Taft's renomination seems almost certain, the nominee of the democratic party becomes more important. A man like Governor Wilson who would attract the progressive republicans would be the logical candidate. Can the democrats be as smart as that?

L. E. Stevens

Security, service, savings—these form a trio which every bank should advertise, so President L. E. Stevens of the Century Savings Bank, Des Moines, Iowa, declared in a paper which he read to the Admen's Club of Des Moines at its meeting last week.

Here are the reasons, Mr. Stevens says, why this is the essential trio in bank advertising:

First—Security, for without safety for his funds, what man is going to entrust them to any bank, no matter what attractive terms may be offered?

Second—Service, because after security a man wants the most and best he can get for his money.

Third—Savings, because it is the real foundation of all fortunes, and without it a bank's advertising for business would be rather barren of results.

Under the head of security, a bank should tell of all the safeguards adopted for the protection of the depositor's money, including its frequent examinations by trained and experienced auditors from the state or national banking departments; its regular monthly or quarterly examinations by a committee from its own board of directors; the careful scrutiny of its loans and investments, and other evidences of careful management by the directors; the integrity of its officers; of the employees all being under bond for fidelity of service; of the burglary and holdup insurance on its funds, and of the fact that not only must its entire capital stock and all accumulated surplus and undivided profits be swept away through losses or otherwise before depositors can lose a dollar, but that under the laws the shareholders have what is known as a double liability on their stock and would have to pay in, if required, an assessment equal to their holdings, or double the original subscribed capital. Therefore, under even reasonably competent and honest management, a bank cannot lose enough to cause a loss to depositors, and your attention is called to the fact that it has been

many years since an Iowa bank under either state or government control has failed. The whole banking business is established on confidence, and banks should educate the public to believe in the security and safety of their institutions first.

What is Service?

Service.—It covers a wide range, but to my mind the average public does not know all the things its banker is prepared and glad to do for it. Through advertising, it can be taught that our business is not only to take your money on deposit and promise its safe return on call, but if you are a commercial customer, to furnish you a nicely bound leather book for keeping a record of the deposits and furnishing a book of lithographed checks with stubs that you may pay your bills in this manner, getting the best kind of a receipt therefore. In fact, the bank keeps your books without charge and gives you a monthly statement of your receipts and expenditures, with balance on hand; for, I take it for granted, none of you admen ever have an overdraft at the close of the month. In the savings department a pass book is given, but as interest is paid on the balances the account is not subject to check, and withdrawals must be made over the counter. To those that prefer, banks will issue time certificate of deposit, payable at a fixed date in the future and drawing interest at the agreed rate.

Talk on Savings

Savings.—Volumes have been written on this one subject, and, like on the subject of love, the half has never been told. "Large oaks from little acorns grow," "Save the dimes and the dollars will take care of themselves," "A penny saved is a penny earned," and kindred old and time-tried sayings are familiar to you all. In its advertising campaign, a bank has a larger field in dwelling on the wisdom, advantages and necessity of saving than any other one subject. It could not be handled adequately in a paper that would take all afternoon to deliver, and I'll not attempt it.

The three principal things, therefore, in my judgment for a bank to advertise are security—service—savings.

Hint to Bankers

And when the banker gets the prospective customer inside his doors he should not give him the icy stare and chilly reception our friend spoke of last week, but give him instead the glad hand, see that he is courteously treated by the clerks and made to feel that the most pleasant part of his business experience is the opening of a bank account. Bank advertising would count for more if people were

(Continued on page 28)

CIRCLE TOUR OF CUBA AND FLORIDA

Leaving Chicago March 5

\$200 { All Expenses. Five Days in Havana. A Day in Six Principal Florida Resorts—Best Hotels
16 DAYS

TICKETS INCLUDE—Berth in Standard Pullman Sleeper and All Meals in Dining Cars, Carriages, Autos. Apply for Reservations Now. Parties Limited. Private and Exclusive. Under Personal Escort of

THE AMERICAN TOURIST ASSOCIATION

Est. 1893 by Reau Campbell

1418 MARQUETTE BLDG., CHICAGO

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

Influence of Banking Upon International Relations

Lecture by Norman Angell before the London Chapter of the British Institute of Banking

London, February 7.—Considerable interest had been taken in advance in Mr. Angell's paper, if only by reason of the keen controversy which has been aroused by his famous book, "The Great Illusion," and from Mr. Angell's opening remarks it was clear that he was pleased to have the opportunity of placing his views on the connection between the peace of the world and international financial relations before an audience of expert bankers.

At the outset, the lecturer disclaimed any intention of dwelling upon the details of banking, and then proceeded to deal directly with the special subject on which he had been asked to speak. He said:

Among those who deal with international affairs, you will find a type of writer, with a taste presumably for the melodramatic, who would have us believe that behind every diplomatic difference and every international settlement stands what he is apt to call "the sinister figure of the international financier." According to this view, nations and people are but mere pawns in the hands of those who constitute that mysterious entity "the money power." War is declared, we are given to understand, because "the money power" wants it, or it is not declared because it does not want it. You are aware, of course, of the somewhat childish confusion between the personal power or influence of a merchant or financier and the forces of which he may be the trustee, which makes such a picture for the most part a caricature. Separate even the most powerful of these "sinister figures" from the interests or the economic forces, of which for the moment he may be the representative, and he is reduced to practical impotence.

To this day, of course, the connection of the great credit institutions of the continent with their respective governments is a very much closer connection than that which exists between the banks and the government in this country. The Syndicat des Agents de Change in France, for instance, cannot, or, at least, does not, authorize the official quotation of a security on the Paris Bourse without the express sanction of the government; and although such control has never received the authority of an act of Parliament, the great French credit institutions do not facilitate the issue of any large foreign government loan in France without it having received the approval of the government. Indeed, it is well known that in the issue of such loans they are guided to no small extent by the political necessities of the government. In the case of Germany, political control, though not operating in quite the same way, is still more direct. Bismarck, on more than one occasion, practically compelled banks to operate on the market at his dictation in certain cases, in order that he might exercise diplomatic pressure on a foreign government. Whether it is desirable that a bank should be compelled to carry on its business not solely with a view to its security and prosperity and in the interests

of its clients, but also with a view to purely political purposes, is a question on which I think you would have very grave doubts, especially since, as I think I shall be able to make plain to you before I have done, the political object almost always miscarries and has had, both with France and Germany, in every single important case shown by the history of the last forty years, effects the exact contrary to those aimed at by the respective governments.

It is not, therefore, of this alleged personal control of policy by great financial interests, a subject upon which a vast deal of nonsense due to the misconception at which I have attempted to hint, has been written, that I want to treat, but the influence of banking operating in quite another way; by the unnoticed impersonal forces which the ordinary week-day, humdrum work of banking has called into existence; the cumulative outcome of those numberless every-day operations that take place almost completely outside the control of governments or financiers.

By banking, I mean all that the word can legitimately imply: the whole process of the systematic organization of credit. And I think I can show you that banking, in this large sense, thanks to the evolution and development of those sensory nerves, is bound to bring about not merely a considerable, but a revolutionary, change in the general conduct of the organism which we call human society—bringing vividly to its consciousness certain errors in conduct, errors which become increasingly painful by reason precisely of the developments of its nervous system.

And this sensitiveness is shown, of course, mainly where the organism works with most difficulty: in the relationship between nations. And I believe that in the never-ending struggle which every nation carries on, in the attempt to adapt itself to environment, it is bound to discard more and more certain habits which have marked it in the less developed stage.

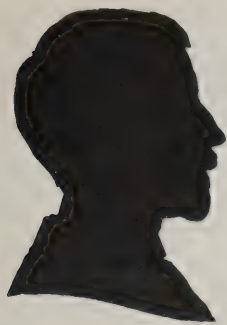
When a Viking king of old landed on these shores from his own state, and hammered his way into a Saxon stronghold, capturing all the cattle and corn and slaves and women that he could lay his hands upon, and squeezing the population for Danegeld, he sailed back to his own state just so much the richer by what he could load on his ships, and when he got back home his own state had practically suffered nothing by the devastation which he might have created in securing his loot. Now imagine a modern, a German Viking landing

on the shores, rifling the great national treasury chest, say the vaults of the Bank of England, destroying our railroads, destroying all the commercial records he could lay his hands on, blowing safe deposit vaults into the air, putting into effect, indeed, Blucher's "Was für Plunder" as ruthlessly as he liked: loading his ships with the thirty or forty millions that he could secure in this way, and sailing back to Germany. Would he, like his predecessor of the eighth, ninth or tenth century, have found that as an offset to the proceeds of his little expedition there was no damage to German trade or to German prosperity? Take one item only—the plunder of the Bank of England's metallic reserve. Remembering the special position of the Bank of England, the relation of its small reserve to the large international business done, and recalling certain incidents in which the state bank of a foreign country at a time when that country was in a political sense bitterly hostile to us, has in quite recent times come to its help, I think many will agree that I am hardly overstating the case in saying that the act of unimaginable economic vandalism would close the Bank of Germany itself. Even if it did not do that, it would involve loss and cost to German finance and trade greatly exceeding in amount the value of the loot secured. An operation of the kind I have described which, quite profitable in the old days from the point of view of the invader, would in our day not merely be profitless, but involve to the conqueror a loss infinitely greater in amount than the tangible booty which he could secure.

Can we say, therefore, that the international relationship of these two cases is identical, unchanged in character? That plunder, and the motive leading to it, is quite as simple a matter now as then? Of course we cannot. It has fundamentally changed. The whole character of the relationship is different, owing to factors introduced by our credit system.

That is not all. I have spoken of the intangibility of wealth. It is intangible in two ways. You, of course, know that most wealth in its modern form depends upon the security of commercial contract, and that if you upset such by overriding the processes of law by military power—if the courts will not enforce the mortgage bond—the wealth which these instruments represented disappears, in a large part at least. The confidence which gives them value has gone. But modern wealth is intangible in a second sense.

I once asked a chartered accountant, very subject to attacks of Germanophobia, how he supposed the Germans would profit by the invasion of England, and he had a very simple program. Admitting the impossibility of sacking the Bank of England, they would reduce the British population to practical slavery, and make them work for their foreign taskmasters, as he put it, under the rifle and lash. He had it all worked out in figures as to what the profit would be to the conqueror. Very well, let us follow the process. The



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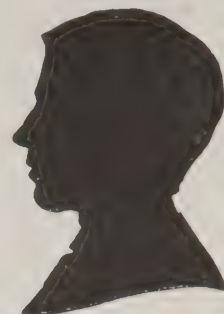
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population of this country is not allowed to spend their income, or at least are only allowed to spend a portion of it, on themselves at all. Their dietary is reduced more or less to a slave dietary and the bulk of what they earn is to be taken by their "owners." But how is this income, which so tempts the Germans, created—these dividends on the railroad shares, the profits of the mills and mines and provision companies and amusement concerns? The dividends are due to the fact that the population eat heartily, clothe themselves well, travel on railroads and go to theatres and music halls. If they are not allowed to do these things, if, in other words, they cannot spend their money on these things, the dividends disappear. If the German taskmasters are to take these dividends, they must allow them to be earned. If they allow them to be earned they must let the population live as it lived before—spending their income on themselves; but if they spend their income on themselves, what is there, therefore, for the taskmasters? In other words, consumption is a necessary factor of the whole thing. Cut out consumption, and you cut out the profits. This glittering wealth which so tempted the invader has disappeared. If this is not intangibility the word has no meaning. Speaking broadly and generally, the conqueror in our day has before him two alternatives: to leave things alone, and in order to do that he need not have left his shores, or to interfere by confiscation in some form, in which case he dries up the source of the profit which tempted him. It is evident we have here, on the very first analysis, two fundamentally important features in which the early pre-economic statecraft would quickly prove unworkable in our day; in which the motives dictating the relationship of states are subject to great modifications. It is merely silly to argue (and yet I have heard it argued by a great university professor) that there is no change. All that remains in doubt is the degree of such change and its direction: whether it has moved sufficiently far as yet to reach a condition which makes military power economically futile as I have declared.

Now I want you to recall for a moment the proposition with which I started this paper: namely, that the relations of states are rapidly modifying in obedience to quickly changing conditions—the greater division of labor set up by quicker communications, that this intensified division of labor sets up a condition of necessary interdependence between those who share the labor, that this condition of interdependence in its turn involves a necessary subsidence of the factor of physical force as between them; that this subsidence of physical force not only weakens necessarily the rôle of political control, but the very complexity of the division of labor tends to set up co-operation in groups which cut right athwart political frontiers, so that the political no longer limits or coincides with the economic; and that finally, partly as the cumulative effect of all these factors, and partly as the direct effect of devices born of the necessity of co-

ordinating such factors, you get what I may term telegraphic financial reaction—a condition of sensibility by which the organism as a whole becomes quickly conscious of any damage to a part; that the whole may be summarized in the statement that military force is more and more failing in its effect, and must finally become—I think it has already become—economically futile. Just remember those propositions and then recall the facts of the historical sketch which I have just given you, and ask yourself whether they are not confirmed in every single detail.

At the beginning of that story we find a marauding state inflicting all the damage that physical force can inflict and suffering itself little harm. At the end of the story we get a condition in which one state cannot inflict damage anything like as great, without such damage reacting disastrously on the state inflicting it. At the beginning we have an England which could have seen all its political rivals annihilated without damage, at the end we have an England in which such a thing would spell starvation to its population; at the beginning a power like Spain able to exercise military force as fantastically as it pleased, to bleed to its apparent profit another people, at the end a condition in which the use of military force in any such way would be fatal to the prosperity of the country so using it; at the beginning such interdependence so slow of growth that 2,000 years hardly shows a development therein, at the end of the interdependence growing so rapidly and becoming so sensitive that, having no effect on the policy of a great Continental State in the third quarter of the 19th century; it dominates that policy in the first decade of the 20th. How-

ever you may test the general propositions I have laid down by the history of human development, you will find that they stand that test absolutely.

And they stand it because this condition which I have attempted to indicate is not merely a condition of the relationship of one nation to another, it is the essential condition of the relationship of all men to all other men individually; the forces which I have been trying to illustrate, but with I fear so feeble a result, and which it is the immense privilege of banking to have illustrated in a commercial form, are the forces which have made possible organized society.

There are those, of course, who will tell you that the whole thing is very regrettable; that it is sordid that the conduct of men or nations should be guided by what they are pleased to call money considerations. Well, it all depends what you mean by money. Genuine banking must be built upon a basis of the prosperity of the community as a whole; a condition by which one group can make huge profits by disaster to another, unhealthy speculation, booms, swindles, are deadly enemies of the sort of banking which this Institute represents. It stands and must stand in close alliance with sound trading, the prosperity of the people as a whole. But what does general prosperity imply? It implies all those efforts by which men, women and children of the world are fed and clothed, and housed and warmed. If, instead of misusing a word to which ancient and irrational prejudice attaches, one uses a little imagination and sees what money and banking really represent, how different an aspect does the whole thing assume! Indeed, is it not plain that banking is going far to destroy a very ancient and very pernicious illusion—a greater illusion than any with which I have dealt heretofore, namely, that there is some contradiction between interest and morality, that high ideals must necessarily be in conflict with material advantage, that the higher welfare of the race is in some wonderful way founded upon a sacrifice of its material welfare?

I know that you would not want me to indulge in highfalutin in this matter. But this condition of commercial interdependence, which is the special mark of banking as it is the mark of no other profession or trade in quite the same degree—the fact that the interest and the solvency of one is bound up with the interest and solvency of many; that there must be confidence in the due fulfilment of mutual obligation, or whole sections of the edifice crumble, is surely doing a great deal to demonstrate that morality, after all, is not founded upon self-sacrifice, but upon enlightened self-interest, a clearer and more complete understanding of all the ties which bind us the one to the other. And such clearer understanding is bound to improve, not merely the relationship of one group to another, but the relationship of all men to all other men, to create a consciousness which must make for more efficient human co-operation, a better human society.

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

There is at least one banker in Kansas City who is thoroughly pleased with conditions. And there is not a banker, or anybody else for that matter, in the Central West who is better posted from his own intimate knowledge of conditions than this same Kansas City financier. James T. Bradley, cashier of the National Bank of Commerce of Kansas City, is a true westerner, although he has had national experience in banking and financial operations. Thus the correspondent of THE CHICAGO BANKER was made to feel much of Mr. Bradley's enthusiasm when he called upon him the other day for an expression as to the banking situation in the Central West. "Everybody is feeling fine," exclaimed Mr. Bradley. "Crop conditions were never better and the people are in excellent spirits. The ground has been frozen from two to three and a half feet and is mellowed and enriched and there has been an abundance of moisture. Last summer and fall there was a decided slump in incomes among the farmers due to shortened crops, and resources have been drained to a considerable extent, which will be felt during the present year. But no one could wish for a more wholesome revival than seems now imminent. Ordinary banking business is fairly active although the demand for money is a little below normal. Funds are easy and deposits are increasing. Yes, you may say that things are fine, fine," concluded Mr. Bradley as he turned to take care of an accumulated crowd of customers.

New Kansas City Bank

The Security State Bank is the name of a new institution which opened its doors for business in Kansas City last week. It occupies quarters at Thirty-ninth Street and State Line and will bid for business in the stock yards and packing districts. It begins business with \$25,000 capital, and J. C. Simpson, assistant secretary of the Commerce Trust Company of Kansas City, is its president. W. R. Parker, formerly of Parsons, Kan., is cashier. Others interested are: C. J. Mustion, J. A. Haner and F. W. Hapst. These with the two officers are the directors. The bank will make a specialty of savings deposits and it is announced that the bank will set a new pace for this class of business by paying 4 per cent interest instead of the 3 per cent rate maintained by the up-town banks.

W. H. Holmes Back from East

Walton H. Holmes, president of the Pioneer Trust Company of Kansas City, has just returned from a business trip to New York, Philadelphia and Chicago, although he spent most of his time in New York. He returns to the Central West entirely satisfied with condi-

tions here and really feels sorry for the poor easterner who is trying to make money in the banking business. "I prefer taking my chances in the West," said Mr. Holmes. "To quote some of the leading bankers of New York, 'It looks like a mighty lean year for the banks in the East.' Well, I told them this was not the situation in the West by a long shot. In the East they are paying 2 per cent for money and loaning it for 3 and 3½ per cent. There is nothing much in that sort of business, unless done on a mammoth scale. Out here we get 5, 5½ and 6 per cent. No new banks are being started in the East; in fact, the tendency is the other way. Large concerns are consolidating for the purpose of lessening their operating expenses and increasing their capital. While the outlook in the East may be 'lean' the prospects in the West are extremely bright. With the abundant snowfall a record crop is forecasted."

Death of Col. Hiram W. Lewis

Col. Hiram W. Lewis, a pioneer financier of Kansas and for many years closely identified with various banking institutions in Wichita, died February 14th in a Chicago hospital, where he had gone to undergo an operation. Mr. Lewis at the time of his death was president of the Gold Savings Bank of Wichita and immediately after the news of his death reached his home the Wichita Clearing House Association called a special meeting to take suitable action. It was in 1876 that Col. Lewis went to Wichita and opened the Farmers and Merchants, which later became the Kansas National, and now is one of the foremost financial institutions in Kansas. While Mr. Lewis was president of this institution he was president also of the National Loan Company of Wichita, the First National of Pratt, Kan., and the Kingman National of Kingman, Kan. He has important interests in the milling industry of southern Kansas as well as in many other enterprises all over the Southwest. Of a large family of children who survive him, one, Philip K. Lewis, was associated with his father in the banking business.

Those Who Attended Oklahoma Group Meetings

The Kansas City bankers who made the rounds of the Oklahoma group meetings last week occupied two special sleeping cars with a special diner attached. It was a jolly party and those who composed were: H. L. Jarboe, Jr., Drovers National Bank; C. W. Allendorfer, First National Bank; C. W. Moore, National Bank of Commerce; R. M. Cook, Interstate National Bank; E. H. Gregg, National Bank of the Republic; E. P. Davis, Southwest National Bank; C. B. McClusky,

National Reserve Bank; J. L. Johnston, National Reserve Bank; J. C. English, Traders National Bank; R. C. Menefee, Commerce Trust Company; T. F. Brady, representing the Commerce Trust Company; George G. Moore, New England National Bank; J. A. Jackson, representing the Gate City National Bank; J. D. Wright, Peoples National Bank, Kansas City, Kan.; Jerome Thralls, Kansas City Clearing House Association; C. C. Jones.

Group 4, Oklahoma

Group 4 of the Oklahoma Bankers Association met last week at Okmulgee with more than 100 bankers in attendance. There were large delegations from Kansas City and other points outside the state. J. B. Adams, a banker of El Dorado, Kan., delivered an address upon Kaffir corn. He said that this single crop has changed the condition of his county from poverty to prosperity, in the face of last year's crop failures. C. W. Allendorfer, of the First National Bank of Kansas City, discussed the Aldrich plan, and explained wherein it would benefit the country banker. The convention closed with a banquet.

A. I. B. Chapter Organized at St. Joseph

A chapter of the American Institute of Banking has been organized in St. Joseph, Mo. Jerome Thralls, manager of the Kansas City Clearing House Association, officiated at the organization and explained the nature of the organization. A committee was appointed on further business and an election of officers will be held within the next few weeks. Mr. Thralls reports a great deal of enthusiasm among the bank employees of St. Joseph, and predicts a successful future for the new chapter.

District 5, Texas, Meeting

About three hundred bankers representing the fifth Texas district met in Dallas last week and held an unusually successful convention. The program, which has been published in these columns, was carried out without substantial change. The members of the Dallas Clearing House Association were hosts and every possible provision was made to give the visitors a good time. Among the bankers from out of the state who arrived to meet their Texas friends at this and other Texas group meetings were: Alexander D. Campbell, New York; Mr. Harrity, W. H. Hurley and L. H. Grimmey, all of Chicago; James R. Leavell, M. A. Raylor, R. S. Hawes, Mr. Hickey, all of St. Louis; J. R. Dominick of Kansas City. The following group officers were elected: Chairman, Fred A. Newton, cashier of the Citizens National Bank, Ennis; vice-chairman, W. B. Sellers, cashier

R. T. FORBES - President
J. E. COMBS - - Cashier
R. S. BRITTAIN, Asst. Cashier
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of the First National Bank, Winnsboro; secretary, John B. Preston, cashier of the Allen State Bank, Allen. One of the amusing incidents of the meeting was the announcement that Champ Clark would deliver an address. It happened that this particular Champ Clark was not the well-known speaker of the house, but the cashier of the First National Bank of Frisco, Texas, who bears the same name. Mr. Clark declared that he would rather be a Texas banker than president.

Among the Visiting Bankers

Among the visiting bankers in Kansas City last week were many who came to attend the Automobile Show in Corvention Hall. The following circulated among the local financiers: C. C. Nelson, Fort Scott, Kan.; F. P. Metzger, Topeka, Kan.; C. D. McDonald, Fort Scott, Kan.; J. E. Campbell, Nowata, Okla.; C. P. Blood, Douglass, Kan.; T. J. Kennedy, Cedar Bluffs, Kan.; H. R. Brown, McAlester, Okla.; G. W. Piersol, Oklahoma City, Okla.; J. W. Teter, Bristow, Okla.; A. A. Busshow, Rexford, Kan.; Hugh C. Wilhite, Excelsior Springs, Mo.; George Robinson, Wichita, Kan.; L. D. Marr, Tulsa, Okla.; J. H. Spencer, Joplin, Mo.; M. B. Light, Winfield, Kan.; N. Gosler, Maitfield Green, Kan.; T. L. Shields, St. Francis, Kan.; A. N. Lindsey, Clinton, Mo.; W. R. McBride, Caddo, Okla.; A. R. Thompson, Hastings, Neb.; M. N. Overall, Caldwell, Kan.; George Gilmore, Roff, Okla.; J. C. Wyatt, Clinton, Mo.; A. Lauterbach, Colby, Kan.; C. L. Goodale, Collinsville, Okla.; I. H. Nakdimen, Salina, Okla.; Frank Hageman, Salina, Kan.; Otis L. Benton, Norcatur, Kan.; R. A. Nickell, Montrose, Colo.; R. W. McCurdy, Independence, Mo.; C. W. Van Zanda, Columbus, Kan.; H. W. Pratt, Golden, Colo.; C. F. Henson, Paola, Kan.; F. V. Phelps, Tripett, Mo.; J. F. Findley, Ottawa, Kan.; W. E. Brown, Augusta, Kan.; H. B. Sanders, Cartersville, Mo.; Wesley Knorpp, Clarendon, Texas; D. B. Mitchell, Lincoln, Kan.; Senator Fred H. Quincy, Salina, Kan.; E. D. Rogers, Lathrop, Mo.; J. F. Morse, Phillipsburg, Kan.; Charles Fletcher, Denver; J. Y. Waugh, Eskridge, Kan.; C. E. Head and W. M. Pegg, of Allen, Okla.; C. H. McNider, Mason City, Ia.; H. E. Sudemann, Newton, Kan.; S. James Pratt, Manhattan, Kan.; William Powell, Sedalia, Mo.; George Brinkman, Great Bend, Kan.; W. M. Peck, Concordia, Kan.; J. O. Dodson, Joplin, Mo.; James C. Broadley, Weir City, Kan., and C. L. Limbucker, of Quenemo, Kan.

Central West Notes

Bondholders of the Omaha Independent Telephone Company held a meeting recently and placed the affairs of that company in the hands of a special committee. The men present at the meeting represented \$1,200,000 of the bonds and a proposition was favorably considered to sell the property, which is now in the hands of a receiver.

Charles E. Mullin, formerly cashier of a Pittsburgh, Pa., national bank, and Clarence C. Waller, formerly connected with a bank at Fort Smith, Ark., were released recently from the federal prison at Leavenworth, Kan.

During a sand storm two robbers entered the Seminole National Bank of Seminole, Tex., last week, and, finding the cashier alone, they locked him in the vault and got away with \$3,500 in currency. They overlooked a pack-

age of money of great value which was in the vault.

Banking and improved banking methods were the subjects discussed recently at the annual dinner of the Maryville, Mo., Commercial Club. The chief guests of the evening were G. H. Mahan, of Hannibal, Mo., president of the Missouri branch of the National Citizens League; J. N. Finning, of St. Louis, secretary of the Missouri branch, and R. T. Forbes, president of the First National Bank of St. Joseph, Mo.

The controlling interest in the First State Bank of Larned, Kan., has been sold by F. D. Lowrey, retiring cashier, to John E. Wagner of Fowler, Colo. The bank has a capital of \$60,000.

W. L. Norton, former president of the American National Bank of Bartlesville, Okla., is being tried at Muskogee, Okla., on the charge of misappropriating \$27,000 of the bank's funds. Norton was indicted on eleven counts.

E. F. Brown, banker, broker and president of the Brown Brick and Tile Company of Houston, Texas, has been arrested charged with a technical violation of the state banking laws in making a loan out of the funds of the Paige State Bank without first securing the consent of the directors. Mr. Brown was president of the bank at Paige, Texas.

All of the cases against W. A. Wilson and N. D. Sanders, of Kansas City, and Thomas Baird and George T. Bacastow, of Arkansas City, Kan., growing out of the failure of the Citizens and Farmers State Bank of Arkansas City, have been dismissed. The men were directors of the bank when it failed. There are civil action suits against all four men amounting to \$98,000 said to be due depositors and these cases will be tried.

J. Hayes of Grayson county, Texas, has been appointed to close the affairs of the Paige Bank which failed recently.

Waco, Texas, is considering the proposition of a bond issue for \$400,000 to build a water works pumping station and filtration plant.

E. E. Emmett, of Arapahoe, Neb., state bank examiner, has been appointed a national bank examiner by the secretary of the treasury.

The Argyle State Bank of Argyle, Texas, was robbed of \$1,700 last week. A sheriff's posse was hot on the trail of the thieves when a punctured automobile tire delayed the feet of justice and the bandits escaped.

There is much talk in Missouri just now of nominating James Cowgil, state treasurer, as democratic candidate for governor. Mr. Cowgil is very popular and lives in Richmond, Missouri.

William H. Hill, a veteran banker of Keytesville, Mo., died last week.

James F. Stewart, a banker of Webb City, Mo., twenty-three years, died last week. He was president of the Mineral Belt Bank for eighteen years.

The Kansas City, Mexico & Orient Railroad is offering its stockholders \$10,000,000 ten year 5 per cent first mortgage collateral trust bonds at par. The proceeds of the sale of these bonds will be used to pay for the building of the main line from San Angelo, Texas, to Chihuahua, Mexico, where connec-

tion with the National Railway of Mexico will be made. The company at last reports has outstanding \$12,500,000 preferred stock, \$12,264,135 common stock and \$18,190,000 first mortgage 4 per cent bonds.

The Commerce Trust Company of Kansas City has been appointed trustee for the Great Western Cement Company of Iola, Kan., which decided to issue bonds in the sum of \$350,000 to pay the debt of the company and provide operating money.

R. L. Beattie, assistant cashier of Gate City National Bank of Kansas City, has purchased stock and will soon assume active management of the Union National Bank of Bartlesville, Okla. Before coming to Kansas City Mr. Beattie was president of the Bartlesville National Bank.

Effective March 1st, John N. Sparks will be president of the Stockyards National Bank of Fort Worth, Texas, succeeding J. L. Price, who retires to become president of a trust company in Atlanta, Ga.

H. E. Corbin, bond representative for a firm of financial brokers in Chicago, was a Kansas City visitor last week.

The State Bank of Collinsville, Okla., has been granted a charter, with \$10,000 in capital stock. The incorporators are John G. Butler and L. S. Butler of Collinsville, and C. H. Bassett of Norman, Okla.

PITTSBURGH CHAPTER NEWS

By H. E. HEBRANK, PRESIDENT.

Pittsburgh Chapter American Institute of Banking held their "Big Night" meeting at their assembly hall and club rooms in the Jenkins Arcade last Tuesday night. On account of the interesting program for the evening the hall was packed long before the hour for starting, over six hundred members and non-members being in attendance. Those coming late were compelled to stand, something unusual for the local chapter.

The meeting opened with selections by the Columbia Symphony Orchestra of 25 pieces, followed by an address by the national president, Raymond B. Cox. His subject was "The Institute and its Benefits." On account of the great ovation given Mr. Cox it was some little time before he could proceed. His address was listened to with great interest, for he handed out some startling facts. He pleaded for more activity and greater effort for the non-members, also said that the large financial institutions are looking for efficient young men to-day and it is up to every bank clerk to make good.

The annual money counting contests resulted as follows:

First prize—Wm. Jolly, Peoples National Bank.

Second prize—Jos. H. Young, Union National Bank.

Third prize—A. G. Wells, Pittsburgh Bank for Savings.

The adding machine contests resulted in 250 checks being listed in 4 minutes.

First prize—A. J. Harnack, Federal National Bank.

Second prize—A. T. Eyler, Union National Bank.

Third prize—M. S. Vandervort, Monongahela National Bank.

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Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped throughout, with a late evening departure from Chicago. Stops made in both directions at South Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars, Sleeping Cars. Free Reclining Chair Cars and Coaches.

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Bankers have been asked by the state committee on agriculture and education to get in touch with the farmers to see about seed corn so that the 1912 crop will not be inferior. J. W. Wheeler of the Security Trust Company, St. Paul, member of the committee, says: "The corn acreage of Minnesota has increased about 500,000 bushels in each decade the last thirty years, and we are afraid the ratio of increases will be imperiled this year by a lack of high grade seed. At this time we are urging the importance of seed selection. The circular has been compiled by men who know their business and will be of great use to the farmers."

Want Customs Deposits

With customs collections in Minneapolis amounting to \$500,812 last year and the collections in January \$97,282, twice as much as the previous January, the Minneapolis bankers approve of any plan that will permit customs deposits to remain in the banks accepted as depositories.

W. H. Dunwoody in New York

W. H. Dunwoody, chairman of the board of the Northwestern National, said in New York: "We in the Northwest are more dependent on the crops for our prosperity than any other source of wealth, and, although it is too early to make predictions along that line, in one respect, at least, the prospects are unusually good. While a year ago the ground was very dry, and we entered the spring with little moisture, this year there is perhaps more moisture frozen in the ground than for many years past."

Will Observe "Famine" Day

F. M. Prince, president of the Minneapolis First National, as chairman of the branch of the Red Cross Society, will join with others in having March 10th observed as "famine" day in all the churches. "Some contributions for the famine victims are coming in, but we ought to have more. If the horrible condi-

tions in China were understood there would be an overwhelming amount subscribed here for relief work."

Open Twin City Stock Exchange

The Twin City Stock Exchange in Minneapolis was opened last week in the Kasota building. Sandwiches, punch and cigars were on the menu of entertainment by the officers. H. Batchelor, treasurer, says delay due to non-arrival of fixtures has been overcome and the exchange will be in full operation this week. Members of committees are to be selected tomorrow. The exchange reports nineteen members and fifteen applications. The limit is 100 members.

Bankers Re-elected Directors

Three bankers have been re-elected directors of the Northwestern National Life Insurance Company: F. A. Chamberlain, president Security National; J. A. Latta, vice-president Northwestern National; A. A. Crane, vice-president First National. Total benefits to stockholders in the year are reported at \$1,714,055; loans were made policy security amounting to \$332,727. Surplus is \$335,271. Earnings for 1911 were \$74,713, of which \$34,161 went in dividends.

Stenehjem Reaches Minneapolis

Whether because he was playing whist at the time, or because he is a banker, G. A. Stenehjem, cashier of the Farmers State at Arnesgard, N. D., is not sure, he went into the ditch with a Great Northern Oriental Limited train and bumped his chin. A slide of a few hundred feet, time tells, seems to have little effect on the passenger trains of this road, further than to disarrange the outside paint design and scatter the seat cushions about the aisle. Occasionally something worse happens, but this time Mr. Stenehjem was able to continue on one of the cars of the original train tied to the Fast Mail train of the same road and hauled to Minneapolis. The car was the observation and buffet combina-

tion and his ride to Minneapolis was going some. A broken rail made the trouble. Mr. Stenehjem was coming to Minneapolis anyway, but he thought he would book passage on the train that was to go into the ditch, which he did.

Banking Notes of Interest

E. A. Moie has retired as cashier of the Rochester National Bank, Rochester, Minn., to become secretary of the Maass & McAndrew Company, plumbing contractors.

H. A. Wheeler, president of the United Trust and Savings, Chicago, last week addressed the Minneapolis Civic and Commerce Association and the St. Paul Association of Commerce on the work of the Chicago Association of Commerce, of which he was once president.

The First National of Corydon, Iowa, has been approved with \$15,000 capital, on application of C. W. Steele, L. Kimple, C. L. Clark, F. R. Fry, F. B. Fry. The existence of the Anamosa National, same state, has been extended to 1932.

O. H. Havill was found guilty at Little Falls of receiving deposits in the State Bank of Bowlus, Minn., unlawfully. The jury was out four hours and fifteen minutes.

J. P. O'Malley, Perry, Iowa, banker, has come out as candidate for the democratic nomination for congress from the seventh district.

\$1,000,000 BANK FOR HOUSTON

The comptroller has approved the application to organize the South Texas Commercial National Bank of Houston, Texas, capital \$1,000,000, to succeed the South Texas National Bank of Houston and the Commercial National Bank of Houston.

The McGregor (N. D.) State Bank has purchased the business of the State Bank of McGregor and the latter will be liquidated.

Increased Deposits with Publicity—With Little Cost!

Your Bank the Bank of the Community

"The Christmas Savings Club Plan"

☞ A positive means of increasing your **Deposits**; cultivating the systematic **Banking Habit**. Interests the community in **your Bank**. \$135,000.00 saved in the initial year in one community by using our "**Christmas Savings Club Plan**." Inexpensive, all efficient, and with profit. We sell but one **live Bank** in a community. Absolutely no solicitors required.

Write to us today for explanation and terms. Address

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HARRISBURG - PA.

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President, Union Trust Company of Pennsylvania.
GEO. W. CREIGHTON,
General Superintendent, Pennsylvania Railroad Company.
H. J. CULBERTSON,
President, Citizens' National Bank.

CHAS. A. DISBROW,
President, Commercial Bank.
HARRY W. DAVIS,
HARRY HERTZLER,
President, Carlisle Trust Company.

HARRY D. JONES,
Cashier, Pennsylvania State Treasury Department.
MERKEL LANDIS,
Treasurer, Carlisle Trust Company.
GEO. O. MOTTER,
Cashier, Peoples' National Bank.

WILLIAM J. BURNS, President. Formerly U. S. Secret Service. Late San Francisco, Cal., Graft Prosecution

RAYMOND J. BURNS, Secretary and Treasurer

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St. Louis

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Oklahoma City

Boston
Detroit

KENTUCKY STATE BANKING DEPARTMENT CREATED

The state senate of Kentucky recently passed Senator Herman D. Newcomb's bill creating a department of state banking under control of a bank commissioner, deputy and three inspectors, by an overwhelming vote. The commissioner will be appointed by the governor under the measure, and he will in turn appoint his deputy, and the three inspectors. The department will be bipartisan in nature, the commissioner to be of the same political faith as the party in power, while the deputy shall be of the other leading party.

Two of the examiners are to be of the same political faith as the commissioner, while the remaining one shall be affiliated with the same party as the deputy commissioner. The bill provides that the commissioner shall receive a salary of \$3,600 a year, his deputy \$2,500, and the examiners \$2,000 each. The department of state banking shall examine every state bank in Kentucky at least twice a year and as much oftener as it shall think necessary. The cost of maintaining the department will be borne by state banks, the scale of assessments running from \$15 to \$250, determined by the combined capital and surplus of the respective institutions.

ANNUAL BANQUET, BALTIMORE CHAPTER A. I. B.

Arrangements have been perfected for the annual banquet of the Baltimore Chapter of the American Institute of Banking to be given at the Emerson, on the evening of March 2, 1912. The principal speaker of the occasion will be Morgan Shuster, ex-treasurer-general of the Persian Empire, whose convenience was consulted in fixing the date of the meeting. Among other notable persons who will make addresses are Senator Hitchcock of Nebraska; Congressman Slayden, of Texas; Governor Golsborough, of Maryland, and Mayor Preston of Baltimore. Congressman Harry Covington, of Easton, will be toastmaster.

The Missouri "Dawg Song"

The Missouri "Dawg Song," which has been set to music and is printed here in full words and chorus, was sung at the Kansas City, Mo., Bankers club dinner Tuesday night, January 23d, at the Baltimore, by a quadruple quartet, directed by C. G. Hutchinson of the First National, and led by T. F. Brady of the Commerce Trust Company.

Wunst me 'n Lem Briggs 'n' ol' Bill Brown
Tuk a load of cawn to town;
An' ol' Jim—dawg, the onery cuss—
He jes' natchelly follered us.

CHORUS.

Every time I come to town,
The boys keep a-kickin' my dawg aroun';
Makes no difference if he is a houn',
They gotta quit kickin' my dawg aroun'.

As we driv' past Sam Johnson's sto',
Passel o' yapes kem out the do';
When Jim he stops to smell a box,
They shied at him a bunch o' rocks.

They tied a tin can on his tail,
An' run him a-past the county jail,
'N' that plumb natchelly made me sore—
'N' Lem he cussed 'n' Bill he swore.

Me 'n' Lem Briggs 'n' ol' Bill Brown,
We lost no time in a-jumpin' down,
An' we wiped them ducks up on th' groun'
Fer kickin' my ol' dawg aroun'.

Folks say a dawg kain't hold no grudge,
But wunst when I got too much budge,
Them town ducks tried to do me up,
But they didn't count on ol' Jim—pup.

Jim seed his duty thar an' then,
An' he lit into them gentlemen,
An' he shore mussed up th' cote house square,
With rags 'n' meat 'n' hide 'n' hair.

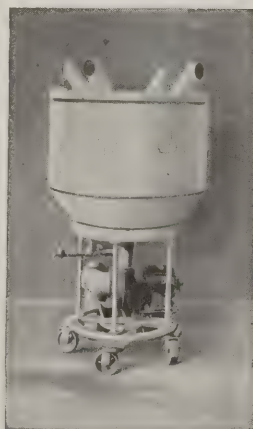
This song will be "official" at both republican and democratic state conventions in Missouri, and at the bankers convention and banquet at Joplin, so "you all" might as well qualify by committing air and words to memory.

NEW OHIO BANKS

Columbus, Ohio.—State Bank Superintendent F. E. Baxter has issued certificates permitting two new banks to begin business. They are the Orrville Savings Bank, of Orrville, \$40,000 capital stock, and the Payne State Bank, of Payne, Paulding county, \$50,000 capital stock.

S. H. Brenneman is president, and H. P. Shantz, cashier of the Orrville Savings, which takes over a private bank, which has been in successful operation many years. Abe Ackerman is president of the Payne State.

Fred C. Mills, with the Union Square Savings Bank, New York City, for several years, has been made assistant cashier.



The Sterling Air Cooler
and Purifier

**A Clean, Cool Bank
Supplied with
Washed Air**
from the
**Sterling Air Cooler
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Gives the classy atmosphere
and dignity necessary to harmonize
with the architectural surroundings.

We have designed a self-contained
portable air cooler and washer in
capacities from 200-2000 C. F. M.,
mounted on rubber shod wheels, and
of attractive appearance, to allow of
operation in the main banking room.
Apparatus shipped complete including
fan, motor (10-15 H. P.), washing
chamber and auxiliaries, ready for
operation, you to make service
connections only.

Apparatus provided with outlet
nozzles to throw air in all directions,
thus eliminating duct work, etc.

Thomas & Smith, Inc.

Mrs. "Acme" Air Washer
129 Carpenter St. 416 Broadway
CHICAGO, ILL. NEW YORK

E. W. ANDREWS, President
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**Assets Over
\$16,000,000**

The Seattle National Bank

OF SEATTLE, WASHINGTON

SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

R. V. ANKENY, Cashier
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Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

Pacific Northwest Banking News

Spokane, Wash., February 26.—City commissioners of Spokane agreed at a conference with representatives of the Spokane Chamber of Commerce and financial, commercial and industrial interests on February 14th, to submit to popular vote a proposal to issue \$500,000 bonds for the construction of a municipal auditorium, as soon as a petition bearing the names of 2,000 electors, favorable to the plan, is presented to the council. E. F. Cartier Van Dissel, chairman of the auditorium committee, announces that a campaign will start at once with a view to having an election as early as possible this spring, saying also there is every reason to think that the taxpayers will approve the bond issue, in which event building operations will begin immediately afterward. Spokane will entertain a score or more of conventions this year, including the National Grange and other large gatherings.

Railroad Taxes

Statistics compiled by the tax commission show that of \$1,946,255 collected in taxes for 1911, the railroads in Washington paid \$947,435. The total amount collected for the last year was \$29,033,234. The increase in real estate and personal property was about \$900,000. The report shows that the taxes paid by railroads increased from \$2,334,000 to \$3,181,000, which means that of every \$100 paid in taxes \$11.30 is paid by the railroads on their track and right of way.

Establishes Sinking Fund

Spokane city council has established a sinking fund for the redemption of \$875,000 park bonds, maturing in 50 years. The fund, which will be invested in city warrants at 6 per cent, was started with the premium of \$13,000, due from the sale of park bonds. The park bonds were dated January 1, 1912, and as they have just been turned over to the purchasers, about \$5,000 in interest has accumulated, which the sinking fund commission has placed in the interest-on-bonds fund.

Guy C. Browne

Guy C. Browne of Spokane, son of J. J. Browne, owner of a string of banks in eastern Washington and northern Idaho, has returned to Wenatchee, Wash., to become cashier of the Columbia Valley Bank, succeeding C. E. Owens, resigned. Mr. Browne will be assisted by F. D. Case. Mr. Owens and his associates have purchased the stock of the Farmers and Merchants Bank.

Will Conduct Mortgage and Realty Business

H. H. McLane and George L. Newcomb of Chicago, where the first named is a member of the firm of James M. McLane & Co., have established offices in Spokane to conduct a general mortgage and realty business. Mr. Newcomb said: "We have secured practically an unlimited sum of eastern capital for investment in the Spokane country, and especially in Spokane real estate mortgages. We believe we will be able to offer money at remarkably low rates because of our Chicago connections.

Idaho Bank Taken Over by Stockholders

State Bank of Kendrick, Idaho, which closed on February 8th, following an examination by V. W. Platt, state bank commissioner, will be taken over by stockholders, who subscribed \$35,000 at a meeting on February 12th. Emmett Eastwood is the receiver in charge. The bank was established in 1897 with a capital of \$25,000, represented by notes of the president, John Bradbury, his brother, Edward Bradbury, cashier, and several others. These are due in 1916. The liabilities are placed at \$162,500, including \$20,000 due other banks, and the deposits amount to \$118,000. The assets, including the notes of the officials of the bank, cover the liabilities.

Fire Loss in United States

Franklin H. Wentworth of Boston, secretary of the National Fire Prevention Association, said at a meeting of the credit men's branch of the Spokane Merchants Association that the destruction of \$250,000,000 worth of property by fire annually is impoverishing the nation. He urged that every precaution be taken. W. D. Vincent, cashier of the Old Na-

tional Bank, presided, the address of welcome being delivered by Mayor W. J. Hindley.

R. Lewis Rutter

R. Lewis Rutter, vice-president of the Spokane and Eastern Trust Company, was re-elected president of the Western Union Life Insurance Company at a meeting of the trustees on February 13th. R. Insinger, manager of the Northwestern and Pacific Hypotheekbank, continues as vice-president. Charles Borden, of Denver, was appointed to the position of auditor and assistant secretary. The stockholders voted to set aside the company's earnings to surplus instead of paying a dividend. This gives the company a surplus of \$140,000. The capital stock is \$200,000, all paid in.

Banking Notes

Connor Malott, manager of the mortgage department of the Spokane and Eastern Trust Company, reports there is a surplus of money available for mortgage investments at from 5 to 8 per cent on income, residence and farm property.

Charles E. Meek, assistant cashier of the Fourth National Bank of New York and vice-president of the National Credit Men's Association, said while in Spokane recently there is no cause for alarm over the business outlook, as the country is in good condition.

M. S. Bentley, who is now in southern California, is planning to establish a bank near Second Avenue and Howard Street in Spokane for the accommodation of business houses and residents on the south central part of the city.

W. H. Welty, a banker at Colfax, Wash., convicted some time ago, has given himself into the custody of the officials of the penitentiary at Walla Walla. He was sentenced some time ago to serve an indeterminate term.

Because the lithographer neglected to include the seal of the city of Spokane in printing the coupons of a bond issue of \$875,000, recently sold to E. H. Rollins & Sons of Chicago and New York, the buyers have asked for the return of the money. C. B. Woods of Chicago, a bond expert, represented the city in the transaction, and had charge of the printing of the bonds. The commissioners have ordered the changes made.

First National Bank of Bend, Wash., has awarded a contract for the construction of a bank building costing \$20,000. The structure will be of pressed brick.

John J. Cadigan, formerly of Boston, was elected president of the New World Life Insurance Company, of Spokane, on February 14th, succeeding Edward J. Cannon, resigned. E. J. O'Shea was re-elected secretary and Philip Harding continues as manager. John J. Martin, of Boston, was re-elected a director. The company's cash assets are placed at \$400,000.

D. W. Twohy, president of the Old National Bank, has gone to Honolulu on a vacation.



**The Old National Bank
OF SPOKANE**

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

—OFFICERS—
D. W. TWOHY, President
T. J. HUMBIRD, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, J. A. YEOMANS,
Assistant Cashier Assistant Cashier
W. J. SMITHSON, Assistant Cashier

The comptroller of the currency has issued a charter to the Commercial National Bank of El Paso, Tex., capital \$100,000.

JOHN McHUGH - President
 JOHN J. LARGE - V.-Pres.
 W. L. MONTGOMERY, V.-Pres.
 HENRY G. WEARE - V.-Pres.
 F. A. McCORNACK - V.-Pres.
 H. A. GOOCH - Cashier
 O. D. PETTIT - Asst. Cashier
 FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
 BUSINESS AND OFFER
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Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
 Excellent Collection Facilities

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J. H. INGWERSEN, President
 C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
 W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
 C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
 Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
 Savings Bank that Makes a Specialty of
 Collections and Bank Accounts

Largest Bank in Clinton
 County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED
 As a Private Bank, 1877 As a National Bank, 1887
 35 years of continuous, conservative and successful banking

OFFICERS
 RALPH VAN VECHEEN, President
 GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
 KENT C. FERMAN, Cashier A. R. SROUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Des Moines, February 22.—Pre-convention politics have begun to boil more briskly since the first group meeting of the year was held at Ottumwa, February 12th. At this meeting representatives from Des Moines, Davenport, Dubuque and Fort Dodge were on hand, boosting for these various cities as the place for holding the 1913 convention. Des Moines won the day and secured the passage of a resolution favoring this city as the meeting place. The resolution declares Des Moines is the logical point for the convention. It is evident that other group meetings are likely to be face to face with similar delegations and doubtless the campaign will grow lively before the convention meets at Cedar Rapids this year. Two new candidates for treasurer of the state association also came to the front at Ottumwa. One is Frank Epperson, vice-president of the Manning & Epperson State of Eddyville and the other is E. L. Stickney, cashier of the First National at Moulton. The group very wisely decided not to take stands on this question, since both bankers are from Group 10. The resolutions recommend both bankers as thoroughly worthy and suggest that their friends get together and throw the strength of the group to whichever candidate develops the more strength prior to the state convention. One resolution is somewhat unique. It reads like this: "We congratulate the people of the state of Iowa upon the present satisfactory banking conditions. We especially commend the bankers of the state for having finally stopped the drainage of money from our state for investment in western and southern states and northern provinces. While Iowa is strong and rich, we do not believe it fair or just to our own business interest that we should furnish the money to purchase the balance of the United States and Canada also."

S. F. McConnell of Bloomfield was chosen chairman of the group and Ben Brown of Ottumwa was chosen secretary. The executive committee will consist of these two and Ned McCauley of Appanoose county; J. S. Moon of Monroe county, L. E. Butler of Mahaska county, J. R. McKey of Keokuk county, and J. W. Young of Van Buren county.

Henry Meyer, assistant cashier of the National City of Chicago, read a splendid paper on "Relations of City and County Banks." Senator J. F. Webber spoke on taxation. S. F. McConnell, chairman, gave a splendid address at the opening of the session. Secretary P. W. Hall of the I. B. A. spoke upon the work of the association. It was a well attended and most interesting group meeting.

Group 7 Holds Meeting

Two group meetings were held February 22d, Group 7 at Tama and Toledo, "Iowa's Twin Cities," and Group 11 at Burlington. George D. McElroy of Vinton is chairman of Group 7 and B. E. Hakes of Williamsburg is

secretary. The program for this meeting, called at ten o'clock in the court room, opened with prayer by Rev. C. L. Nye of Toledo, music by the Imperial Male Quartet of Cedar Rapids, and address of welcome by H. J. Stiger, vice-president of the First National of Toledo. Chairman McElroy made the response. B. E. Hakes, secretary, gave his report. After music by the quartet, Hon. A. F. Dawson, president of the First National of Davenport, gave the principal address of the session. His subject was "Pending Currency Legislation." Dinner was given at Soleman's opera house, Tama. Dr. Frederick E. Brooke, president Leander Clark College was toastmaster. Responses were given by Emerson Deputy of the Northwestern Banker, Des Moines, on "Publicity, Pro and Con"; Sherman DeWolf of Reinbeck, state senator, "Legislation and the Banks"; S. C. Huber, director Commercial Savings, Tama, "The Musquakie"; Ernest R. Moore, president American Trust and Savings, Cedar Rapids, "The Banker's Anthem"; Arthur White, director Peoples Savings, Vinton, "The Cureall for Public Distress." This concluded the program, which was remarkable throughout for strength and general interest.

Group 11 Program

The program for Group 11 at Burlington was opened at the Hotel Burlington, where registration was held. At 11 o'clock, the bankers assembled at the Garrick Theater. The principal address of the forenoon was given by A. O. Wilson, vice-president of the State National, St. Louis on the subject, "The Situation and the Day." Then followed a moving picture display put on by Manager Root of the theater. There were then reports of committees and election of officers. The banquet at 12:30 was at Hotel Burlington. The first address was by Hon. F. M. Molesberry, "The Capitalization of Suspicion." Secretary P. W. Hall of the Iowa Bankers Association spoke following Mr. Molesberry. Judge J. C. Power of Burlington conducted a question box on the nex tax law. The meeting was well attended and the discussions were of especial interest to the financiers of Southeastern Iowa. E. R. Lacey of Washington as chairman of the group presided at the business sessions.

Bankers Want Square Deal

The taxation committee of the Iowa Bankers Association appeared before the state tax commission last week and took up the cudgel for fair treatment to bankers in the matter of taxes. The committee, which went before the commission is composed of C. D. Ellis, vice-president of the Security Trust and Savings, Charles City; J. L. Edwards, president of the Merchants National, Burlington; Secretary P. W. Hall; A. H. Gale, City National, Mason City, and State Senator J. F. Webber of Ottumwa. The committee was given splendid attention and was kept busy until six o'clock in the afternoon. Members of the commission

A. A. Crane, president of the Bank of Harrison, Idaho, will be a candidate for the governorship of Idaho at the coming general election.

asked many questions, indicating that they are intensely interested and sincere in their desire to better bank conditions from a taxation standpoint. Iowa bankers feel that the law enacted by the legislature last winter assessing them upon an 80 per cent valuation while other property pays on 20 to 25 per cent is decidedly unjust. The members of the committee made it plain that they do not ask any advantage. But they want a square deal. They would prefer uniform taxation upon a 100 per cent basis with a lower levy, or they favor a flat millage rate providing they are on an equality with the farmer or merchant. Senator Webber claimed that at present Iowa banks are cutting down their surpluses because of taxation. He declared this is working against the best interests of the Iowa banks.

Kreutsinger Arrested for Theft of Mail Pouch

Several banks have been interested in the arrest of Albert Kreutsinger at Council Bluffs on a charge of implication in the theft of a pouch of mail from the Milwaukee depot in that city and the subsequent destruction of \$65,000 in checks and drafts. Much of the paper was drawn on Des Moines banks, and it has required considerable extra work to untangle the muddle. Albert Custin, also placed under arrest, made a confession in which he implicated Kreutsinger and another, and told of witnessing the burning of the pouch.

Des Moines Bankers to Give Dinner

Des Moines bankers are preparing to give a dinner and ask Governor Woodrow Wilson of New Jersey to make an address when he speak in Des Moines, March 1st. It is purposed, at this writing, to invite bankers from all over Iowa to attend. There is some objection to the political phase of the question, which it is feared would creep into the arrangements so that at this writing, the affair is in the embryo stage.

Banker Out for Congress

O. Mosher, banker at Walnut, Iowa, has announced that he is coming out for congress on the democratic ticket in the ninth Iowa district. A meeting of his friends at Council Bluffs launched the candidacy. J. P. O'Malley, a banker at Perry, is in the race for congress in the seventh district on the democratic ticket, and it is not unlikely that Parley Sheldon, the Ames banker, will make a similar announcement.

State Banks in Satisfactory Condition

Conditions indicate that the banking reports in answer to the call of Auditor Bleakly for the condition at the close of business February 7th will be entirely satisfactory. The state and savings banks of Des Moines will probably show a slight decrease in deposits and an increase in loans. This is the hard quarter for the banks for it precedes the settlements of March 1st, which always require much cash.

Corn Contest

Among the successful corn contests held by banks the past year, that of the Cedar Falls National at Cedar Falls ranks well towards the top. This institution offered prizes of \$85 in cash to the boys under sixteen, who would raise the largest yield of corn from a single acre. Twenty boys entered the contest and the prizes were awarded a few days ago.

Farmers and Merchants at Harlan Has New Building

The Farmers and Merchants at Harlan opened a fine new building with a reception, which was attended by fully 5,000 Shelby county people. St. Catherine's Guild of the Episcopal Church served lunch for the guests while each gentleman was given a cigar and each lady an American Beauty rose. The

building is reported a beauty. Its exterior is Carthage marble, the interior finish is circassian walnut with tile floors, marble wainscoting and thoroughly up-to-date fixtures. The bank, which is six years old, has a capital stock of \$50,000 and deposits of \$400,000. E. C. Clapp, is president; E. M. Herbert and A. C. Clapp, vice-president; R. D. Prouty, cashier.

Cedar Rapids Banks Show Increased Deposits

Cedar Rapids banks are rejoicing over a nice increase in deposits for the year ending January 31st. At the annual meeting of the clearing house association last week, the total clearings for the year were shown to be \$65,899,329.73, an increase of \$9,185.06 over the preceding year. During the past year many items coming from Chicago have been sent direct to the banks and in previous years this passed through the clearing house, otherwise the increase would be more noticeable. Officers elected were James E. Hamilton, president; John Burianek, Jr., first vice-president; Louis Woukon, second vice-president; Frank Filip, treasurer; W. J. Elliott, secretary and manager.

Banking Notes

L. J. Yaggy, cashier of the First National at Davenport, who keeps his eyes open upon all occasions, picked up a check thirty-five year old on the street of that city. It was drawn May 31, 1877, and was payable to L. G. Gage, cashier of the Citizens National, which has since been absorbed by the German Savings.

The Garland Corporation lost out in an effort to secure \$18,437 from the Citizens Savings at Waterloo and the Waterloo Loan and Trust Company. After a long session the jury brought in a verdict in favor of the defendants. The suit was brought to secure balance of the proceeds of eleven promissory notes, which the plaintiff claimed was due it under the terms of an old agreement.

Plans have been completed in Des Moines for the erection this year of a seven-story structure, which is to be located in East Des Moines by H. E. Tarchout. The second floor will be occupied by the Iowa Trust and Savings Bank. The building will cost about \$200,000, and will be a credit to the city and state.

The Newton News says: "At a meeting of Des Moines advertisers the other day, an authority on advertising stated that banks should be advertisers. Of course this is true. The wonder is that Des Moines banks have not recognized the necessity sooner. All the banks of Newton have been advertisers this long while."

Hollinger & Larimer have bought the A. E. Dorn bank at Chariton and according to the newspapers they paid \$5,750 for it.

The Callender Savings has filed articles increasing its capital stock from \$12,000 to \$20,000.

The Farmers National at Webster City will enlarge its present structure.

Mrs. A. W. Murphy, wife of President Murphy of the First National of Shenandoah, has been visiting friends in Des Moines.

Fred S. Risser, cashier of the Central State, Des Moines, is the happy father of a son left at the Risser home by the stork.

Charles H. McNider, president of the First National at Mason City, has been chosen president of the Southwestern States Cement Co. He has been at Dallas, where he has extensive interests.

The new Northwest Davenport Savings at Davenport reports the following officers: President, J. S. Weber; vice-president, Peter

Peters. A committee was named to receive applications for cashier. This is the bank which was organized at a mass meeting some time ago.

J. W. Huntington, who has for same time poked his face through the windows of the Jefferson Savings at Jefferson, announces his retirement to private life.

Des Moines bank clearings for the week ending February 17th totaled \$4,118,890 an increase over the clearings for the corresponding week last year of \$531,844.

Theodore Doerfler, cashier of the bank at Wesley, and formerly with the German Savings at Dubuque, died last week. He was a promising young banker.

Sioux City

By JOHN J. BIDDISON.

Every prospect pleases, and man isn't as vile as he might be, in the opinion of John L. Large, vice-president of the First National bank, who, having surveyed the field, pronounces it good. Business is getting bigger and bigger as the spring season draws nearer, and the advent of warm weather, having put money into the pockets of those many farmers who hauled corn to market, is resulting in the payment of debts. A considerable amount of paper not collectible until March 1st is now being taken up by farmers, he says, and his bank has done more business of this nature in the first 20 days of the present month than in the whole of February last year. Farmers are moving their grain and their live stock in large quantities for good prices while the favorable weather lasts for fear that another severe freeze may make the roads impassable. Last week was a record breaker in the local live stock market in hog receipts.

A. O. Wilson, vice-president of the State National Bank, has been invited to deliver an address, subject, "The Situation and The Day," before Group 2 of the Iowa Bankers Association at Burlington to-day, and has accepted. This is an important group, having eighty-five banks as members, and a large gathering is looked for.

Among the Visiting Bankers

R. C. McKinney, cashier of the Cleghorn State Bank, Cleghorn, Iowa, was in Sioux City on business Tuesday.

W. W. McElrath, president of the Merville State Bank, of Merville, Iowa, was in Sioux City Wednesday in attendance at a meeting which a committee of the Commercial Club held with reference to the organization they are perfecting in the interest of the betterment of farming in Woodbury county.

W. A. Schaetzel, president of the Union County Bank, Elk Point, S. D., and Oluf Johnson, cashier of the First National Bank of that place, passed through Sioux City Thursday on their way to Grand Island, Nebraska, to attend a duplicate whist tournament. These men are both experts at that game, and gave a good account of themselves.

M. M. Taylor, assistant cashier of the First National Bank, Plainview, Nebraska, was in Sioux City Friday.

J. S. Wilson, cashier of the First National Bank, Hull, Iowa, was in Sioux City Saturday.

W. A. Sanford, vice-president of the First National Bank, Cherokee, Iowa, was transacting business in Sioux City Monday.

A. J. Gregory, assistant cashier, was in Sioux City Monday in the interests of the Farmers Bank, Salix, Iowa.

L. E. STEVENS

(Continued from page 17)

sure of proper treatment after accepting the printed invitation to call and open an account.

The banker is himself to blame for much of the money kept in the stocking banks, by not educating the public to do its banking business with banks and in allowing it to continue to believe, as it has for decades, that a bank is an awesome place, and only for the very rich. He should take the public into his confidence and put his business on the same level as any other legitimate business. Proper publicity by banks would go a long ways in curing any feeling of unrest and lack of confidence, and, while possibly not a cure for panics, would certainly make them less frequent and less severe.

THE MASON ASSETS

The Mason private-bank assets when filed by the receiver showed 250,000 shares of "perfectly good" (paper was good) mining shares, development shares, Nevada Frog, and the like. Surely these "investments" would not have passed the bank examiner, had the bank been under supervision. The mere fact of supervision would have precluded even a thought of such use of the depositors' money.

INDIANA BANKER DEAD

Newcastle, Ind., February 21.—David W. Kinsey, 65 years old, died at his home in South Main Street this morning after two weeks' illness. Mr. Kinsey was prominent as a Republican, and at the time of his death was cashier of the Citizens State Bank, a position he had held for nearly forty years. He had served as county clerk, and numerous other capacities, being a member of the city school board for a number of years, and largely responsible in bringing the schools to the present high standard. He was affiliated with many lodges and other organizations. One daughter, Mrs. Harry E. Jennings, survives.

PARIS SAVINGS BANK

The accounts have been issued of the Paris Savings Bank for the year 1911—a savings and provident bank independent in principle, but using its deposits to invest in state securities, often under the immediate supervision of the state. This bank received 372,000 deposits in 1911, of which 41,500 were from new depositors. The total amount deposited was 39,380,000 francs. Withdrawals amounted in the course of the year to 43,750,000 francs for 187,000 persons, of whom 30,000 closed their accounts. On December 31, 1911, the total deposits in the Paris Savings Bank amounted to 116,750,000 francs, and the number of depositors was 674,500. There is no cause for surprise at the comparatively small number of depositors, because the postoffice savings bank is a very formidable competitor of the private savings banks. The total amount due to depositors, which was 120,290,000 francs on January 1, 1911, diminished in the year by more than 3,500,000 francs. The bank is trustee for 37,380 inscribed bonds, representing a capital of 34,770,000 francs. The accounts of the ordinary savings banks (those of the postoffice savings banks are behindhand) show that withdrawals during 1911 exceeded deposits by 152,178,000 francs—a diminution of 23,156,000 francs, for it must not be forgotten that 129,000,000 francs was paid as interest on the deposits. The position has much improved lately, as during the first ten days alone of 1912 the deposits in the ordinary savings banks were 632,000 francs, whilst the withdrawals were only 155,000 francs—a big excess of deposits for so short a period.

Convention Stories

The following are little anecdotes told at annual conventions held by the Washington Bankers Association at Wenatchee on September 14-16, 1911, and at the California Bankers Association at Lake Tahoe, June 15, 16 and 17, 1911.

In his address of welcome to the visitors at the Washington convention, Frank Reeves, president of the Wenatchee Commercial Club, told the following:

"We feel towards you this morning, my friends, like the young lover did after he had been successful. You know he had been going with the girl for a number of years, and he never quite got up courage to pop the question; he approached it with fear and trembling, and finally one time, at the psychological moment, before he knew what he was doing, he said: 'Jane, will you marry me?' 'Why,' she says, 'yes.' 'Oh!' he says, 'thank heaven!' 'Why,' she says, 'why didn't you ask me long ago, and I would have said "yes" any time?' He couldn't speak for joy, then he turned around and looked up to God's sunshine and he says: 'I ain't got anything again' anybody."

At the same meeting, Joseph Chapman, Jr., vice-president of the Northwestern National at Minneapolis, in speaking on "The Relation of the Banker to the Farmer," prefaced his remarks by the following:

"Gentlemen of the Washington Bankers Association: Your cordial reception reminds me somewhat of the story a lady once told; she made a great speech and the audience kept busy with prolonged applause, and finally she came out and said that in the village where she lived there was a woman, who was all the time calling Tommy, whether she had anything special on her mind or not. If she did not think of anything she would go to the door and bawl out 'Tommy!' So one time she called a little louder than usual, and Tommy poked his head out from around the fence and said, 'Say, maw, do you really want me or are you just hollerin'?"

George P. Wiley, cashier Waterville Savings Bank, in talking on "Some Questions of Interest to a Country Banker," at the Wenatchee convention, related this incident:

"A speaker at a bankers convention in the Central West told of a boy who had been led by his father to anticipate for some time the opening of a bank account, and who finally was taken to the village banker. In introducing this official, his father said, 'James, my boy, this is Mr. Lovett, the village banker, and that you may know what a banker is, my son, I wish to state that he is a man with comparatively little money of his own, but one who undertakes to take care of a great deal of other people's money.'"

In speaking on "Clearing House Examinations," at the same meeting, Charles W. Riehl of St. Joseph, Missouri, offered the following:

"A minister in Baltimore, not noted for the brevity of his discourses, started his sermon one Sunday morning, and after about ten minutes, stopped suddenly and said, 'Brethren, I am sorry to announce that I cannot proceed any further this morning. I have a dog at home that is very fond of paper, and this morning he chewed up the rest of my sermon, consequently I will not be able to deliver it to you.' After the service was over, a visiting elder from one of the other churches met him and said, 'Pastor, has that dog of yours any pups?' 'No,' he said; 'why?' 'Well,' he said, 'I would like to get one for our preacher over there.'"

At the California convention, John Perrin, member of the currency commission of the

American Bankers Association, in speaking on "The Plan for Monetary Legislation Suggested by Senator Aldrich," said all good women of fashion expect to go to Paris when they die, and that he was tempted to say that all good bankers hoped to live in California before they die, at least half a dozen bank presidents at the convention at Los Angeles the preceding fall had confided as much to him. Being impressed with that idea, he proceeded to acquire a modest house in Pasadena, so as to keep them company. He adopted as his conviction as to the weather that which he had read in the prospectus. He spent a few weeks in Pasadena the preceding winter. At that time there were three of his directors there, and thirty-two Indianapolis (of which town Mr. Perrin is a resident) people at one hotel at dinner one day. It had rained continuously for about a month without a break, but he assured them with all the fervor of a Native Son, that it was a very exceptional season.

Mr. Perrin also said: "I am extremely appreciative of the honor of being invited to address the bankers of this great state. I also may say to address the ladies. At a recent convention where I had the honor of delivering an address, one lady told me afterwards that it was a lovely address, and that she was thoroughly convinced, and I told her that if anyone doubted the value of her judgment, to apply to me for a certificate."

At the same convention, in discussing the question of a central bank, some objection was raised to the members voting on the question at that time; that they had heard only one side of the question, and that they ought to have an opportunity to hear the other and form their conclusions before committing themselves to an endorsement of that proposition.

H. S. Fletcher, representing the Bank of Watsonville, said: "I had the advantage of being in Nashville, and hearing this Aldrich question discussed, and on able paper delivered by J. B. Forgan of Chicago. I also had the opportunity of listening to George M. Reynolds, and I want to assure you people here that, in my estimation, George M. Reynolds is the brainiest banker in the United States."

He is a man that can hold his own in any community, in any company. He could go out on the street and make a Socialist, or any other man, who was advancing opinions with which Mr. Reynolds did not coincide, feel ashamed of himself, and he is a man that we all can be proud of as being a banker."

Honorable E. D. Roberts, state treasurer of California, in talking on the "Depositing of State Funds in Banks," stated that when notified by R. M. Welch, the secretary, that he would be called upon for a few remarks at the convention, he felt his usual attack of stage fright coming on, and that he notified the secretary, informing him that he had lost his voice. The secretary thereupon suggested that he prepare a paper and that an auctioneer would be hired; he also assured him that as he had not lost his voice clamoring for office, it could not be overtaken so very much and he should have recovered by that time.

Mr. Roberts in commenting on this, said: "This reminds me of meeting a friend from southern California in the Palace Hotel shortly after my appointment. We greeted one another with a handshake, and his first question was, 'What brought you up here?' I remarked that I was just down from Sacramento on business, and incidentally said, 'You know I am state treasurer.' He again shook my hand and begged my pardon for not remembering, saying, 'I forgot, but of course I voted for you.'"

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TEXAS BANK STATEMENT

Austin, Texas.—The state department of insurance and banking has just made public a condensed monthly statement of the condition of the fifteen state banks maintaining savings departments at the close of business January 31, 1912. This statement shows the total resources of the savings departments of these fifteen banks to be \$1,545,627.74, being as follows: County, city, town or school bonds \$8,422.20; first mortgage railroad bonds \$48,009.81; first liens on real estate worth double the amount loaned thereon \$1,157,548.61; currency \$129,004; specie \$168,643.12; other resources \$34,000. The liabilities are: Amount due depositors: \$1,538,525.91; undivided profits \$6,076; time certificate deposits \$1,025. Total \$1,545,627.74. Required cash reserve (15 per cent total deposits) \$230,932.45; actual cash on hand \$297,647.12; excess of amount required \$66,714.66. The commissioner says this statement shows the savings departments to be in excellent condition.

INSURES MISSOURI BANKS

The Equitable Surety Company of St. Louis has obtained the fidelity bond business of the Missouri Bankers Association, which has 1,500 banks in its membership. For ten years this insurance has been written by an eastern surety company under a contract by which it paid a commission, which went into the treasury of the association. A similar contract has been made by the Equitable, which was able to annex the line because it is a home company.

Philadelphia.—Edward W. Clark, of E. W. Clark & Co., has been elected a director of the Fourth Street National Bank, filling the vacancy caused by the resignation of Roland L. Taylor.

BANK THIEF GIVEN SEVEN YEARS

Vernon, Tex., February 20.—Frank Holloway, recently arrested in Chicago, where he declared he had robbed banks in Panama, Vancouver, Texas and Oklahoma, has pleaded guilty to two cases against him in connection with the Harrold, Tex., bank robbery two years ago. He was sentenced yesterday to serve seven years in prison. When Holloway was arrested, he announced he had participated in many crimes, some of them dating back several years.

Philadelphia

More than six hundred bankers from all over the country attended the annual banquet given by Group 1, Pennsylvania Bankers Association, at the Bellevue-Stratford last week. J. R. McAllister, president of the Franklin National Bank, was toastmaster. The speakers included United States Senator Ollie M. James, of Kentucky, who responded to the toast, "The South and Socialism," and Martin W. Littleton, representative from the First congressional district, New York, who spoke on "Government of Industry," a question which is agitating the business world more than anything else at the present time. An address by Bishop E. Woodcock, of Kentucky, completed the program.

Over two hundred bankers attended the seventeenth annual meeting of Group 2, Pennsylvania Bankers Association, at the Bellevue-Stratford, on Lincoln's birthday. Officers were re-elected with the exception of Montgomery Evans, of Norristown, who retired as president, and was succeeded by William C. Husted, cashier of the First National Bank of West Chester. The meeting adopted resolutions calling upon the Pennsylvania Bankers Association to obtain legislation by the state concerning joint accounts, there being a difference of opinion now over the legal standing of such accounts.

ATTEMPTED BANK ROBBERY FOILED

Oakland, Cal.—A tunnel 50 feet long, beginning in the basement of the Advent Mission in Seventeenth Street, and directed toward the vault of the Bank of Commerce, was discovered last week, and reported to the police by F. Harlow, a mission-worker, who slept in the church building and heard men at work beneath the structure. Several policemen were set to watch the premises for the return of the criminals, but they had evidently become aware that their work had been discovered, and the police finally gave up the hope of their return and closed up the mouth of the tunnel, which lacked 100 feet of the distance necessary to reach the bank's strong room. Three feet of concrete, reinforced with steel rails, would have had to be dynamited had they succeeded in reaching the vault, according to Geo. Stitt, manager of the bank.

MONTANA BANK EXAMINER FOUND GUILTY

Richard Goodhard, national bank examiner, and receiver for the First National Bank of Billings, Montana, is declared by a jury to have engaged in a conspiracy to force the sale of some horses to one R. D. Currier. The horses were forced at about 40 per cent of their value and were held as part of the assets of the bank, the action thereby defrauding the creditors of the closed bank. It was proven in the trial that Goodhard forced one of the creditors of the bank to sell the horses to Currier under threats of prosecution. The action against Goodhard was taken to vindicate the officers of the bank.

NEW DENVER BANK

The Germania State of Denver, Colorado, capitalized at \$30,000, was organized last Friday, February 16th. Wm. Bierkamp, Jr., is president and I. P. M. Schiele is temporary cashier. It will be open for business on and after Friday, March 15th.

BANK ROBBERS OPERATING IN GEORGIA

Atlanta, Ga., February 21.—Robbers blew open the safe of the Austell Bank at Austell, Ga., fifteen miles west of Atlanta, early on Monday and escaped with about \$2,500 in cash. Two men carrying large sacks were seen leaving the bank soon after the explosion and posses with track dogs have gone in pursuit.

INDIANA BANK FORMED

Indianapolis.—The Irvington Bank has been incorporated with \$25,000 capital stock. The new company marks the first enterprise of that character, which has been started in the suburb. The president is John B. Simmons of Wilkinson; vice-president, R. I. Marsh of Irvington, and the cashier is J. F. Evans of Wilkinson. The bank probably will be located on East Washington Street, but the site has not been definitely selected.

COLORED PRIVATE BANKER MAR- RIES

Jesse Binga, a colored private banker and real estate dealer on South State Street, was married on Tuesday to Miss Eudora Johnson, "the richest colored girl in the city."

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Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.
This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Essentials of Business Law. By FRANCIS M. BURDICK, LL.D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.
This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90.
Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37.
This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safe-guard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

The above books are the best of their kind, and will be promptly forwarded upon receipt of price.

THE CHICAGO BANKER.

407 Monadnock Block, Chicago.

DANIEL KELLEHER

Daniel Kelleher, a director of the Seattle National, was elected president of the Bank of Commerce of Everett at the annual meeting of the stockholders in that city. Elmer E. Johnston was elected vice-president and E. C. Olson, cashier. The directors are: Daniel Kelleher, director Seattle National, and president of the Bank for Savings, Seattle; E. W. Andrews, president Seattle National; Joseph Coleman, of Coleman, Fogarty & Anderson; O. H. Gunhus, of Atlas Constructing Company; Elmer E. Johnston and E. C. Olson.

New York.—Augustus Pratt Wickes, formerly coupon clerk for the Knickerbocker Trust Company, was sentenced to serve from two years and four months to four years and eight months in Sing Sing prison, on his plea of guilty to grand larceny. Wickes manipulated the books of the company and stole about \$10,000 during a period of eight years.

The Donna State Bank, of Donna, Texas, has filed a charter amendment increasing its capital stock from \$12,000 to \$15,000.

"THE NEW DEMOCRACY"

"The New Democracy," by Dr. Walter E. Weyl, the eminent economist, is an essay on certain political and economic tendencies in the United States. The author tells how in 1832 Alexis De Tocqueville, the philosophic student of popular government, conceived this land to be the "most democratic country on the face of the earth." It was then popularly believed that this newly formed nation, the product of the valor of those staunch patriots, who fought for and won the freedom to which they believed they were entitled, would teach its elders the lessons of popular government. But alas, this has not proven to be the case. America no longer teaches democracy to an expectant world, but herself goes to school to Europe and Australia. Our ballot laws come from a nation younger than ours; our students of political and industrial democracy repair to the antipodes, to England, Belgium, France and semifeudal Germany. Why has not this expectation been realized? Why have we allowed our foreign competitors to outdistance us as regards economic conditions? What will be the ultimate result? All these and similar questions are answered by Dr. Weyl in this most interesting book. The author points out that while this nation has grown in wealth, power and prestige, we are no longer imbued with the spirit of democracy possessed by our forefathers, which was one of the foundation stones on which this great nation was built. Before answering these questions, Dr. Weyl first inquiries as to the reasons for the loss of American democratic supremacy, which he believes to be three. First, believing that we already had it, we thought there was nothing more for which to strive; second, the existence of slavery; third, when De Tocqueville was studying our institutions, America stood at the parting of the ways. She had to choose between the attainment of the rights of men and the conquest of the continent; between democracy and material progress. We believed that the pressing need was not liberty, equality and fraternity, but the creation of a type of man who would be fitted to play the rôle of conqueror. We have not achieved democracy, but what have we attained? Dr. Weyl's reply to this is "a resplendent plutocracy." At first we were reluctant to admit that such was the case. That it is, however, cannot be denied. What is this American plutocracy? It is, the author says, "That system of industry in which a large and increasing portion of the income of society flows into great reservoirs which are pre-empted and controlled by private corporations." The trust succeeds because it is unified; on the other hand, consumers and competitors are easy victims because of their lack of organization. It is impossible to estimate just what will be the future development of these gigantic combinations whose primary purpose is the stifling of competition. Our anti-trust legislation is crude and inadequate to meet the exigencies of the situation; it attacks not the economic foundations of the plutocracy but the integrity—the wholeness—of business. A question which naturally suggests itself is: How long will this plutocracy endure, and to what will it give way? There are many who believe that the trusts will emerge unscathed from the battle which is being waged against them; that the Declaration of Independence will end in government by check book. There is reason to believe, however, that the trend of America is not toward plutocratic rule. There is a spirit of new democracy. Dr. Weyl declares this new democracy will be primarily social. In obedience to that spirit, we are freeing ourselves from the unique standard of pecuniary pre-eminence. A new insistence is laid upon human life and human happiness. If this ideal

state of affairs is attained, we still shall be beset by many of the present day difficulties. The establishment of such a state would be slow. The author declares that for this century we need but take the forward step. If we can extirpate misery, that will be progress enough.

The book is very ably and forcefully written, and will make excellent reading for all who are interested in economic conditions.

("The New Democracy," by Dr. Walter E. Weyl. The Macmillan Co., 66 Fifth Avenue, New York. Price \$2.00, net.)

HAWAIIAN BANK PROSPEROUS

Honolulu.—At the annual meeting of the Bank of Hawaii, President C. H. Cooke reported a satisfactory growth in all departments, deposits having on December 31st reached the sum of \$4,732,206.92, from \$4,152,685.83 1910, sales of exchange amounted to \$12,506,211.81. The gross profits were \$164,497.97, from which expenses and losses were charged off amounting to \$81,541.43, leaving a net profit of \$82,956.54. Out of this amount the annual dividend of \$48,000 was paid and \$34,956.54 carried to undivided profits. During the year \$100,000 was transferred from undivided profits account to the surplus account, making that account \$500,000 and still leaving \$85,057.30 in undivided profits. On account of the amount of funds on hand and the consequent lowering of interest rates, it was found necessary to lower the rate of interest paid on ordinary deposits in the savings department from 4½ to 4 per cent, the new rate going into effect on January 1, 1912.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 31)

the book has its name printed in the blank and on front and back cover.

EX-PRESIDENT E. E. CRABTREE of the Illinois association adopted the book for his bank, the first one to use it, and he says, "No family can get along without it." The farmers make special trips to town to get it. The book contains "instructions" how to use and benefit by it.

THE Ware & Leland bank letter, free to banks requesting it, explains the market situation in detail in a simple way, verifying it by quotations. This week's letter concludes: "In general we look for an erratic market and think that coppers and steels on all reactions may be purchased for good profits, and that later in the spring the railroads will show considerably higher prices."

GEORGETOWN (Ky.) NATIONAL has absorbed the Scott County Bank. The Scott County Bank was organized five years ago. It had never declared a dividend. W. J. Carley, the cashier, will be with the Georgetown National for the present. CASHIER.

BANK FOR ITALIAN CITIZENS

Application has been made at Springfield for a charter for the State Bank of Italy, an institution that will do a general banking business, but which was designed primarily to furnish banking facilities for Italian citizens in Chicago. The bank will have a capital of \$200,000 and a paid in surplus of \$50,000. It will be at Halsted and Taylor streets, and is expected to be ready for business about April 10th.

The directors of the bank, so far as selected, are Pasquale Schiavone, Edward C. Dapples, Frank Gazzolo, Michael F. Schiavone, R. C. Keller, William N. Rumley, William R. Moorhouse, George Lytton and D. J. Schuyler, Jr.

Mr. Schuyler is the principal organizer. It is probable a well-known Italian will be elected president.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

White to the presidency of the bank, a short time ago.

FRANK D. BRUNDAGE of New York is working West, bearing the K. N. & K. gospel, and at this writing is breaking away Trinidad, en route to Phoenix as a farther step toward California. On conditions he says:

"I FIND business exceedingly quiet all over this country. There is too much politics in the air to expect any improvement very soon. There is a strong Roosevelt sentiment all over the West."

CAN anything be more truthful or forceful than the following from The Review? "When trade paper publishers are forced to discuss 'how to get subscribers to take magazines from the wrappers,' it doesn't look as if the advertiser received much of a run for his money."

A NEW YORK banking journal of considerable age continues to operate a farce known as a list of "Representative Attorneys." It claims to publish the list for the benefit of "bankers who may be obliged to seek legal advice under the statutes of the several states."

ONLY fourteen states are included on the "list" and the total of legal firms named is but seventeen. If the "Representative Attorneys" are so scarce that there are none, for instance, in Illinois, the thing should be dropped. If it really is an advertising scheme, and the "representative" attorneys pay the line rate, it is time for the coroner, at least for that department.

TEXAS seems to be having her own time with the refugees, who have been driven out of Kansas by the "Blue Sky" law and passed on by Oklahoma because of restrictions in that state on the sale of stocks and bonds of a certain character. The banking commissioner of Texas is receiving protests from bankers all over, calling his attention to various companies and promotions, which are being pushed in their territory.

B. L. GILL, the commissioner, says that "there should be some law placing the sale of stocks, not only of insurance companies, but of other corporations, under public supervision, and the last two reports of this department have recommended earnestly the passage of such a law. The legislature of the state of Texas up to this time has not seen fit to pay any attention, whatever, to such recommendation."

THE commissioner says he is well aware of the fact that there are many fraudulent concerns fleecing the people of the state by the sale of worthless shares, and that there are many other companies, whose shares are worth but very little but which are being sold. He deplores the fact that there are no laws in the state to prevent this business, except the general laws touching upon the subject of swindling.

"THE TEXAS BANKERS RECORD," which is the official organ of the state association, has commended the "Blue Sky" law of Kansas, in a strong editorial, and is calling upon the members of the state association and upon the legislature to pass a similar act for Texas.

TEXAS has a supreme court ruling, which holds that foreign corporations without a permit to do business in the state cannot maintain a suit in the Texas courts, and that district judges should dismiss such suits. This is looked upon as good state policy, and the state bankers want the same sort of a decision as to the sale of stocks.

IN closing his comment upon the Kansas "Blue Sky" act, Commissioner Gill said, "There is no legislation more needed in Texas. It is among the first things to concern every banker in the state, and now I hope the matter will not be dropped, and that the next session of the legislature will definitely provide for a 'Blue Sky' law in Texas."

A BOLD daylight robber took advantage of the business methods prevailing in the Bank of Silvis, a private institution at Silvis, Ill., the other day.

THE bank is run in the rear of a drygoods store. When the proprietor went home for his noon meal, he neglected to lock up the cash. When he returned it was gone. It is said by J. Lee Crowder, the proprietor, that a much larger sum might have been taken if the thief had been posted fully as to its whereabouts.

ROCK ISLAND COUNTY, Ill., which contains the two thriving cities of Moline and Rock Island, at last statement time had fifteen banking institutions. The total deposits in these banks run well over seventeen millions of dollars. The largest of the fifteen is the Peoples Savings Bank and Trust Company of Moline, with three and one-half millions. Those which have two millions or more are Moline Trust and Savings; State Savings Bank and Trust Company of Moline; Central Trust and Savings of Rock Island and the Rock Island Savings Bank. The "Bank of Silvis," referred to in the above paragraph, is included among the fifteen, but makes no statement as to its deposits, and thus does not figure in the total.

OKLAHOMA group meetings scheduled for this week met at Ada, Okmulgee, Shawnee, Enid and at Clinton. At each meeting the subject of kaffir corn occupied the principal place on the program, the speaker being J. B. Adams of Eldorado, Kan.

MR. ADAMS is known throughout the western states as "Bun" Adams, and is said to be one of the best talkers in the southwest section. He is an ardent advocate and believer in kaffir corn, as the one thing needful for the salvation of Kansas and Oklahoma farmers.

EDITOR A. G. MARRS of "The Bank Deposit Guarantee Journal," in speaking of bank examiners says, "No good bank, private or incorporate, should dread the coming of the examiner. They should be glad to see him. If the bank is wrong in any way he is there to place it right. The bank examiner should be made and kept independent of political influence."

WASHINGTON NATIONAL at Ellensburg, Wash., celebrated its tenth anniversary on February 14th by giving a banquet at the Antlers Hotel. Each member of the banking staff, and all the directors replied to toasts, and a very pleasant evening was spent. The Washington National began business on February 3, 1902, with a capital of \$15,000 and \$8,000 in deposits. It now has a capital and surplus of \$100,000 and deposits of close to three-quarters of a million.

PRESIDENT A. J. CURTIN of the Iowa Bankers was in Chicago most of the week attending the convention of state fair association officials. He left only in time to take in the Tama-Toledo group meeting and will be back again on Tuesday next to join the farmer-banker delegation going to Washington to appear before the farm demonstration or agricultural committee.

MR. CURTIN is an enthusiast on the farm end of the banking question and is on the Northwest Conference committee and

on the Iowa State Board of Agriculture. He hasn't heard, up to now, of any other candidate for the Iowa presidency but Charlie Nash, mentioned in this column last week. In Iowa they do not have rotation in office.

R. L. RINAMAN "blew in" on the big storm on Wednesday. "Had the same thing in St. Louis on Tuesday—only more of it." He was trying to induce some of his old friends to come down to the Bankers Club dinner—at the other end of the big bridge—for next Thursday evening, the 29th.

THE Law Committee of the A. B. A. will be in session in St. Louis at that time and will be guests of the club. Members of the committee are Pierre Jay, chairman, New York, Bank of The Manhattan Company; John F. Hagey, First National, Chicago; Lynn H. Dinkins, Interstate Trust and Banking Company, New Orleans; Isaac H. Orr, St. Louis Union Trust Company, St. Louis; Thos. B. Paton, New York, general counsel for A. B. A., and Jno. H. Sturgis, Franklin Savings, Boston, Mass.

THIS is quite a neat compliment and it is whispered that the St. Louis boys are going to do other things besides singing the "Dawg Song" to them.

THE seal and official button of the Illinois Bankers Association contain as the motto or watchword of the organization, "Unity and Progress." When President Harris donned the official badge he took it at its word, except that he reversed it, so that it now reads, "Progress and Unity." Things are moving. The supervision folder is good state banking gospel. There isn't a depositor in the state but wants supervision of the best sort.

THE "press comments" should show the public mind to even the doubtful. It seems to be unanimous. Now let every member bank come out honestly and vote for supervision. No state or national bank can vote otherwise without stultification. Banks in Chicago volunteered to go under much stricter supervision than state or nation imposes when they adopted the clearing house plan.

NO pamphlet of its size ever went out on a better mission. It is intended to show the light to those who have been groping in darkness, and to give strength to the weak and "straddling." Don't be a straddler. Come right out and vote.

A. C. McLAUGHLIN of Jacksonville, a banker with experience with farmer customers, has designed and copyrighted a "Farmer's Record and Account Book" of the simplest and most practical kind.

FARM papers, bankers, and agricultural teachers all over the United States have been advocating a simple system of bookkeeping for the farmer, knowing that one of the weak features in American farming is the failure to apply business principles or system. This book is so arranged that the farmer can keep a separate account with each product of the farm and at the end of the year can tell his profit or loss and to what to attribute results.

IT keeps up an inventory so that he is in position to borrow at the bank quickly and with entire safety to the banker. Interest and other tables are included and a department of "Hired Labor" and one for "Household Expenses."

THE book is neatly bound and will be sold cheaply, in quantities to one bank in a town for distribution. Bankers in southern Illinois say it is the best ever. It has a department "In account with Blank Bank," which ought to make a hit. The bank giving out
(Continued on page 30)

ALL BRANCHES OF BANKING



1857

1912

ORSON SMITH - - - President	P. C. PETERSON	Assistant Cashier
EDMUND D. HULBERT, Vice-President	C. E. ESTES - -	Assistant Cashier
FRANK G. NELSON - Vice-President	LEON L. LOEHR	Sec'y and Trust Officer
JOHN E. BLUNT, Jr. - Vice-President	F. W. THOMPSON, Mgr. Farm Loan Dep't	
J. G. ORCHARD - - - - - Cashier	H. G. P. DEANS - -	Mgr. Foreign Dep't

CAPITAL AND SURPLUS - \$9,000,000



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

THE NATIONAL CITY BANK OF CHICAGO

Capital, Surplus and Undivided Profits \$ 2,500,000.00

Resources - - - - - 29,300,000.00

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W. D. DICKEY - -	Assistant Cashier	R. U. LANSING - Manager Bond Dept.
		M. K. BAKER - Asst. Manager Bond Dept.

Fourth Street National Bank OF PHILADELPHIA

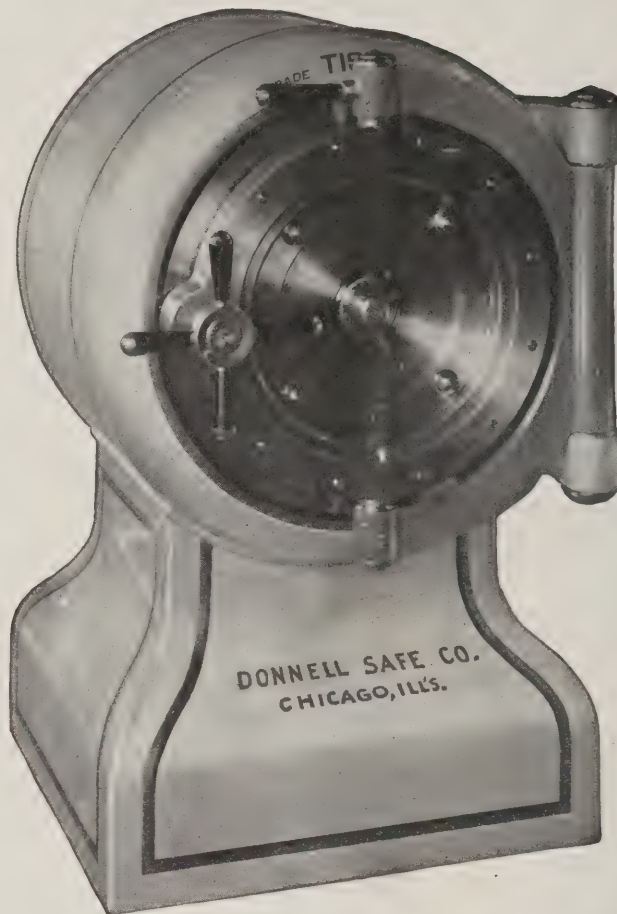
Capital - - - \$3,000,000.00

Surplus and Profits 6,500,000.00

**UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED**

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Donnell Safe Co.



General Western Agents for the York Safe & Lock Co., who have the best-equipped safe factory in America. Their Manganese safes are superior to any in the market. We sell these safes subject to a test against any Manganese safe made and will guarantee all our work equal, if not superior, to any made. We can refer you to any banker in Chicago. We carry the largest stock of bank safes in Chicago. Burglar vault doors, vault linings, burglar safes that have been used always on hand. A large lot of second-hand deposit boxes that are modern and good as new.

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The Girard National Bank OF PHILADELPHIA

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Surplus and Profits 4,585,000.00

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RICHARD L. AUSTIN
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Cashier

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To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

MARCH 2, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

Commissioner Dolley to "Blue Sky" Skeptics

Bank Commissioner J. N. Dolley, of Kansas, certainly has started the largest wave of reform legislation in the way of protective supervision over investment companies that this country has seen in fifty years. Practically every state which has a legislature in session has a similar bill up for passage. THE CHICAGO BANKER referred to Commissioner Dolley the criticism of two leading Chicago bankers upon that provision of the law which grants a license to security-selling companies. As has been stated elsewhere in this paper, at first the criticism seemed quite impressive; later on its lack of effectiveness was apparent. The whole question, however, was referred to Commissioner Dolley, and in the following strong letter he has made his reply to their exceptions:

To the Editor: I have your favor of the 22d, stating President B. F. Harris of the Illinois Bankers Association has started a campaign for bank supervision in that state, and that he is making inquiry of the Illinois association members as to what their position might be on the adoption of such a law as our "Blue Sky" law, putting investment companies under supervision.

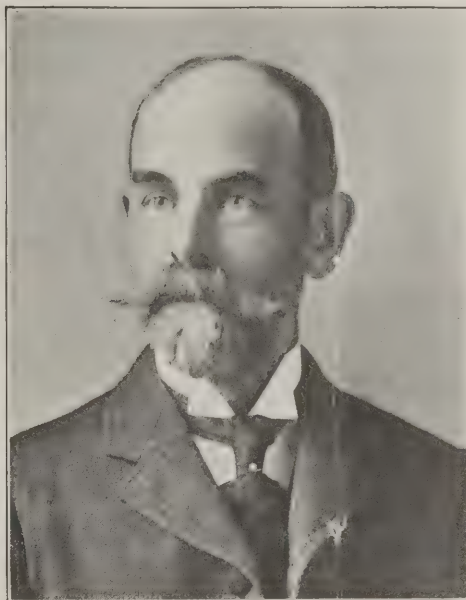
I note you say that Charles H. Bosworth, president of the Peoples Trust and Savings Bank, and E. D. Hulbert, vice-president of the Merchants Loan and Trust Company, point out that there is considerable danger in state supervision of investment companies and that they fear that the commissioner in charge of the examination of securities might err and possibly indorse a bad project, thus making the state an aid to a bad swindle. I differ with them as to their position and venture to state that they do not understand the workings of this law. I am certain that the State of Illinois is overrun at this time with an army of fake stock sellers and has been for many years past, and in my judgment Illinois (similar to Kansas as a state) in the past has been negligent as to its duties in not protecting the citizens of its commonwealth against these large forces of swindlers.

A successful business man or commission of successful business men, will make very few mistakes in deciding whether a certain concern should be allowed to sell its wares in their state, and plainly upon the face of the Kansas permit it states that the banking department in no wise recommends this investment. I do not think their objection well taken. You could as well apply it to bank supervision in that we should not have state or national banking departments for fear that the comptroller of the currency or the bank commissioner might permit irresponsible men to organize a bank and through its organization swindle a certain community.

Under the Kansas law each concern is compelled to submit sworn financial statements, etc., the books and business of the concern are subject to supervision and inspection as much so as a state bank. Even if the bank commissioner or a commission should admit a company that should not be admitted it is no argu-

(Continued on page 23)

Two Prominent A. B. A. Workers



JOSEPH H. KING
HARTFORD, CONN.



L. A. WILSON
EL RENO, OKLA.

Mr. King, president of the American National, Hartford, Conn., is vice-president of the A. B. A. for his state.

Mr. Wilson, president of the First National, El Reno, Okla., is a member of the A. B. A. Executive Council.

At Washington

Washington, D. C., February 29.—All members of the special committee on agriculture, representing the American Bankers Association, present in Washington, were cordially received by President Taft in a very pleasant conference. Mr. Taft expressed great interest and sympathy with the efforts of the committee and repeatedly stated his willingness to co-operate in the great work. Congressman McKinley entertained the committee at dinner on Wednesday evening, and a special hearing was accorded them by the committee on agriculture of the house. Messrs. Harris and Chapman spoke at the hearing, and on Friday morning Governor Herrick will speak before the committee. The senate also has invited the visitors to appear before its committee on agriculture and forestry. Chairman Underwood of the house committee has been very cordial to the visitors and expressed deep interest in the work. The effectiveness and prestige of the A. B. A. committee were increased very largely by the attendance of President William Livingstone of Detroit, who attended all the meetings of the committee, and was along with them when they had their interview with the President. He is very enthu-

siastic about the prospects and expects to have at least one agricultural session at the Detroit convention in September. W. G. Edens, who represented Chicago, was the active spirit in making plans and appointments for the committee, being much at home in administrative circles in Washington.

GROWING SOUTHERN ILLINOIS BANK

The First Bank and Trust Company of Cairo, as shown by a publication of its statement in another department of this paper, is continuing to make rapid growth. This is one of the oldest and strongest banks in southern Illinois and located in a splendid commercial city. It has for its officers men who are experienced in banking and business affairs. Col. J. S. Aisthorpe, the president, is one of the potential members of the Illinois Bankers Association, and in times past has been a power in the ranks of the American Bankers Association. His friends are seeking to make him a candidate for chairman of the council at the coming convention, with every prospect of success.

Frank C. Carson has been elected vice-president of the Johnson County Savings Bank, Iowa City, Ia.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

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WM. G. SCHROEDER	Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

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HARVEY C. VERNON	Assistant Cashier
GEO. B. SMITH	Assistant Cashier
WILBER HATTERY	Assistant Cashier
H. ERSKINE SMITH	Assistant Cashier
JOHN R. WASHBURN	Assistant Cashier
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Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

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The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

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UNITED STATES DEPOSITARY

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Surplus	-	500,000
Deposits	-	25,000,000

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NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
THOMAS E. NEWCOMER, Asst. Cashier
HARRY LAWTON, Manager Foreign Department

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908	\$ 9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
March 7, 1911	21,574,956.79
June 7, 1911	23,137,746.88
September 1, 1911	24,500,075.82
December 5, 1911	25,445,199.89

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Drovers Deposit National Bank OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-eight years rendered Efficient and Quick Service to its Correspondents

Resources, Nine Million Dollars

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JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
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H. P. GATES, - Assistant Cashier

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WM. C. CUMMINGS



Mainly About Banks and Bankers

IT is rumored that Chairman Chapman called his agricultural committee together in Washington, not solely for the purpose of making an onslaught upon congress, but "for devising ways and means." The ways and means part of it refers to a large accumulation of invitations to speak at group meetings, conventions and club banquets, which Chairman Chapman wants to divide up among the principal members of his committee.

FOR years Mr. Chapman has been a favorite with state secretaries when they wanted a "live number" on short notice. As time passes this seems to have become a confirmed habit with some until there seems to be little time left on the Northwestern's calendar for regular banking business.

IT happens that the agricultural committee is composed mostly of "talking bankers." Mr. Harris is one of the ablest speakers in the big association, and is almost, if not quite, as willing as Mr. Chapman to "go to it" when opportunity occurs. Mr. Curtin of Iowa is a good talker, and also a very hard worker in the field. Baker of Wisconsin is very clever on his feet, and W. G. Edens, secretary of the Illinois committee and member of the A. B. A. council, is almost as busy with his "engagements" as is Mr. Chapman.

IT is to be hoped that the agricultural committee, having at its command the services of a number of university men of high rank who are willing to engage in the farmers' uplift work, can devise a plan whereby there will be an agricultural and educational number on every state program this year.

IT is said that President Livingstone of the American Bankers Association is contemplating a farmers' session at the Detroit convention. It might be possible that Mr. Hill would deliver his agricultural speech which he expected to make at Springfield (he spoke on currency) and which did not come off at the latter convention. As a drawing card it is doubtful if Mr. Hill has a single rival on this particular subject.

ANOTHER speaker of national importance, and who might be obtained, is President Howard Elliott of the Northern Pacific Railway. He has shown a versatility and a measure of ability in the public speaking line of a most uncommon kind.

AMONG those who left on the Pennsylvania Tuesday morning to appear before the congressional committee on agricultural development and education were Joseph Chapman, Jr., chairman; E. J. Curtin, president of the Iowa Bankers; B. F. Harris, president of the Illinois Bankers; L. A. Baker, of New Richmond, Wis., and W. G. Edens, secretary of the Illinois committee. Joseph G. Brown of North Carolina sent a telegram saying that he would join the committee in Washington.

THIS committee had a morning session at the Willard Hotel on Wednesday, the 28th, and in the evening were entertained at

dinner, along with members of congress serving on the agricultural committee, by Congressman McKinley, of Champaign, Ill.

MR. MCKINLEY is on this important committee, and introduced the Illinois bill in congress for farm demonstration, now known as "the McKinley Bill." As President Taft's campaign manager he will have unusual influence in congress for anything of a party nature, and farm demonstration being under way at present in nine of the democratic states, it is not likely that democratic members will oppose its extension to northwest territory.

IT looks like a good bet that congress will do something in this most important matter, and that the bankers of the country will feel encouraged to take up other public questions and exert their powerful influence for other benefits collateral to the banking business.

THE Louisiana Bankers will convene this year at Covington, on April 26th and 27th. Secretary L. A. Broussard has extended invitations to bankers all over the country to attend this year's convention, which he promises will be most interesting.

HOME SAVINGS AND STATE BANK at Peoria, over the signature of Charles E. Ulrich, vice-president, is distributing farm literature, and calling the attention of farmers to the possibility of doubling their crops and telling them how to do it. Mr. Ulrich further offers additional literature upon request, and is having a great many responses.

THE Illinois Bankers Association has sent out a pamphlet entitled "How Robbery of the Soil can be Prevented." This is a very suggestive little circular compiled by the agricultural committee, and should be in the hands of every farmer in the state. Down-state banks could not do a better thing than to get a supply of these documents for distribution.

AMERICAN NATIONAL at Richmond has increased its capital from \$600,000 to \$1,000,000, making capital, surplus and undivided profits read \$1,660,000. The total resources of this prosperous bank are over seven millions. Oliver J. Sands is president and O. B. Hill, cashier.

PRESIDENT IRVING SHUMAN, of Group 7, Illinois, in calling off the Washington's Birthday meeting at Sullivan, sent out a very diplomatic letter, saving the farmer feature from all chance of blame. It reads:

"WE are having a regular blizzard to-day (22d) in central Illinois, and the trains into Sullivan are running from four to six hours late. I got into communication with the members of the executive committee of Group 7, and we have postponed the date of holding our convention until we can secure more favorable weather conditions. We had received enough acceptance cards to indicate that our meeting would have been one of the largest group meetings that ever has been held, and I could not bear the thought of allowing

the meeting to be cut in two on account of weather conditions, especially when we are trying to have a strictly agricultural program. And had the attendance not been what we had hoped for it to be, the agricultural feature might have been wrongfully charged with the light attendance."

GROUP 7 is on the job, however, and ample notice will be sent out for a later date when the committee can make the necessary arrangements. Mr. Shuman (percheron horses, dairy cattle and banking) isn't the kind to let the main issue be forgotten.

MARCH still is blustery enough to make us seek indoor comforts and diversions, and we turn to books and magazines with a zest which perhaps will be lacking later, when the spring sunshine lures one to the open. Lippincott's for March will be found a most desirable fireside companion during these last few weeks of cold weather.

FIRST, there's a rather remarkable complete novel, entitled "The Lustrous Lady," by Will Levington Comfort, who wrote "Routledge Rides Alone." The setting is original, the plot novel, and the characters intensely human—annoyingly human, at times. A rare love story, of course, yet with plenty of brisk action to make it appeal to the unsentimental.

NOW that you are tired of the muck-raking publications, is a good time to turn back to good old Lippincott's. Each number has a complete novel—such as you later would pay \$1.50 for—and ten short stories by the best writers. It is the best literary magazine in America to-day at any price.

LEWIS E. PIERSON has hit upon a plan of educational work among the business men of New York which will likely be quite as effective as it is novel. Over the super-scription of the Irving Exchange National he has advertised free literature on the currency question.

THE bank over which Mr. Pierson presides has ready five pamphlets which it agrees to send upon request—all or one, as may be desired. The booklets now ready are:

Report of the National Monetary Commission.

Importance of Monetary Reform to Business Men—John V. Farwell.

Banking Reforms and the National Reserve Association—J. Laurence Laughlin.

List of publications of the National Monetary Commission and how they may be obtained.

A Simple Explanation of Modern Banking Customs.

THE Irving is right in the heart of the mercantile district of New York and is a commercial bank, hence the thought and the opportunity are met under propitious circumstances. On the general issue the ex-president of the American Bankers Association states his position on the currency in happy, (Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President

CHICAGO

RALPH N. BALLOU, Cashier
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REMITTS

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

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K. M. McKINNEY, Cashier
JAMES M. HURST, Asst. Cashier
W. H. HURLEY, Asst. Cashier

W. T. FENTON, Vice-President
O. H. SWAN, Asst. Cashier
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The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

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Capital, \$1,500,000 Surplus, \$1,500,000

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THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-eight years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

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AUGUST BLUM, Vice-President
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G. H. DUNSCOMB, Assistant Cashier

CORN EXCHANGE NATIONAL BANK . . . OF CHICAGO, ILLINOIS

CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

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FRANK W. SMITH, Cashier
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J. E. MAASS, Assistant Cashier
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LETTERS OF CREDIT ISSUED

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Clarence Buckingham
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DIRECTORS
Charles H. Hulburd
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Chauncey J. Blair
Ernest A. Hamill

Martin A. Ryerson
Benjamin Carpenter
Charles L. Hutchinson
Watson F. Blair
Clyde M. Carr



OUR BEST ADVERTISEMENT

IS THE STEADILY INCREASING NUMBER
OF OUR SATISFIED CUSTOMERS

The Live Stock Exchange National Bank
of Chicago

Bank Commissioner B. L. Gill on State Supervision

One of the very best letters of this series from state bank examiners has come from B. L. Gill, commissioner of banking and insurance for Texas. His letter follows:

"To answer your request of February first for information relative to the state banking system of Texas, and the matter of uniform banking laws in all the states, would fill a volume, so I shall endeavor to reply to your questions in their order as briefly as possible. This state permits private banking and also allows private banks to make a bond under the guaranty of deposits law equal to its capital stock if it will submit to examination and make reports, but it must use on its stationery, signs, etc., the words 'unincorporated' to distinguish it from a state bank. The private banks that come into the state system are treated the same as a new proposition, that is, if they have acceptable assets they desire to place in the new bank they are taken, if in the judgment of the examiner, who checks them in, they are satisfactory. If not they are rejected, so that such a bank starts off clean.

Does Not Believe in Private Banks

"I do not think private banks should be permitted, as I believe in supervision as the best safeguard of a banking system, and this should be compulsory and not merely optional for advertising purposes. I know of no private bankers who opposed the present state banking law, and we are constantly liquidating and taking over private banks as outlined above, but the commissioner permits a private bank to organize and transfer its business to the state bank in the way stated, always with the understanding that it retire from business as a private bank as we do not want the same parties in the same community to operate both a state and private bank for obvious reasons. The principal reason they have for incorporating is the confidence of the public in a state bank because of publicity, supervision and the guaranty of deposits, and a consequent increase of business. This department handles the liquidation of failed state banks taken over by it, through a liquidating agent appointed by the commissioner, under his direction, and whose salary is the same as that of a bank examiner. So few have been so handled and none of their affairs yet closed up so no figures are at hand.

"State banks are examined each quarter, or four times a year. No officer can borrow a dollar without the written consent of a majority of the directors. The penalty for this violation is imprisonment in the penitentiary for a term of not less than two years. A director can borrow 10 per cent of the capital stock without such consent, or 25 per cent with it. A violation of this makes the bor-

The Texas official goes fully into the matter. Situation in other states. Maryland has a new banking law. Ohio, New York and Michigan working for better conditions

rower and the officer or director approving it subject to two years' confinement in the penitentiary upon conviction.

Favors Separate Banking Departments

"I am disposed to believe that the adoption of the National Reserve Association plan would have a tendency to cause uniform banking laws to enable the banks of the various states to more readily meet the requirements of the association and adjust themselves to them in their transactions with the association.

"Replying to your question as to whether I believe each state should have a separate banking department, will say this is also a conditional matter. In this state we have one department controlling the banks and insurance business. We have over 700 banks and as many insurance companies to supervise, and the suggestion has frequently been made that these two should be separated, as the department is growing so rapidly that it is becoming difficult for one man to properly supervise, and it is also a difficult matter, and in fact almost impossible, to get both an accomplished bank man and insurance man in one who has the training and capacity to grasp and supervise the technicalities of both. If you mean that the banking department should be distinct from that of treasurer and auditor, as prevails in some of the states, I think it should be. I think the banking commissioner should be vested with the strongest discretionary powers possible. He should not only judge of the character and reputation of the stockholders, and the ability, character, reputation and experience of the active officers, as he has in this state as commissioner of banking, and as a member of the state banking board, but he should have the power and authority to say whether or not there is need for a bank in the community in which it is authorized, and this latter is one thing lacking in our law, which we hope to have corrected at an early date."

Penalties are Scarce in Texas

"The failure of a state bank examiner to report a violation to the bank commissioner, and the failure of the commissioner to report such violation to the county or district attorney within ten days shall, upon conviction, be pun-

ished by a fine of not less than \$100 nor more than \$500, or by imprisonment in the county jail for not less than three nor more than twelve months, or by both such fine and imprisonment and removal from office. Any officer, director, clerk or agent of any state bank who embezzles, abstracts, etc., any of the funds of the bank, or draws or executes any document, etc., or does anything with intent to deceive the officers of the bank, the examiner or commissioner, or one who aids or abets any officer, clerk or agent in any violation, shall be deemed guilty of a felony and upon conviction shall be punished by a confinement in the state penitentiary for a term of not less than five nor more than ten years.

"In answer to your question, 'If I would support a movement for uniform state banking laws in all the states,' will say I would, but do not believe this could be accomplished fully, because of varying conditions in the different states. Even in this state, which is so large and has such a diversity of crops and collaterals, discretion is used by the commissioner of banking in the enforcement of certain technical matters that are subjects of conditions, because it must be remembered that the distance across this state is equal to the distance from Chicago to the Gulf of Mexico, or from Chicago to the Atlantic Ocean. By this I mean uniform law, generally speaking, would be desirable, but certain provisions would have to differ in each state to conform to the varying conditions. The effect of such a law would be to the people of each state what the national statutes are today; understood by all the people of all the states to be uniformly the same as in their own state, and the simplicity of such uniformity would render the understanding of it better and easier, and consequently desirable because of this.

New Banking Law in Maryland

Commissioner of Banking J. Dukes Downes of Maryland has furnished the following summary of the new laws in his state. He says:

"The legislature of 1910 enacted a general banking law, which placed all banking institutions under supervision, but did not include private banks or bankers. So far as I am aware there was no opposition to the law on the part of private banks. Within less than a year after the passage of this act the resources of the institutions under supervision increased to the extent of nearly \$10,000,000. I would say that the law does not at present provide for the handling of receiverships of banks by this department, though there is an amendment now before the legislature, with every probability of its being passed, providing that the bank commissioner shall act as receiver, without compensation, the actual cost of such re-

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Milwaukee National Bank
of Wisconsin

Capital, \$450,000
Surplus and Profits
\$100,000

The Fourth National Bank of the City of New York

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It invites the correspondence of banks, corporations, firms and individuals throughout the country.

CAPITAL AND SURPLUS, \$10,000,000.00

ceivership to be paid from the assets of the bank.

"The new law provides for the inspection and examination of banks, and I shall take pleasure in sending you a copy of the same as soon as I can procure one. Unfortunately I have none on hand at the present time. I heartily approve of uniform laws regarding the conduct of banking in the several states, but would not be willing to commit myself upon any plan until I had had an opportunity to go into the matter very thoroughly.

"I could hardly say what effect the adoption of the National Reserve Association plan would have upon the banking laws in the different states. So far as I can recall the bank commissioner of this state is vested with all necessary powers, with the exception of those to be provided for in the amendments now before the legislature. I expect to have the banking law, with amendments, printed as soon as possible, and will then take pleasure in sending you a copy."

Banking measures are up in every state in which a legislature is in session. Every state is anxious to have a "best banking law" with complete supervision and responsibility. Kentucky has just adopted a strong bank inspection law and Ohio is about to pass a double-liability clause in its new state constitution in deference to popular demand. New York has on passage an amendment to the savings law which seems justified by experience.

Double Liability for Ohio

The new Ohio constitution will copy the double liability clause from the national banking act, and will also contain restriction on the location and capital stock of new banks, limiting the capital to the population in the same way the national banks are limited.

The constitutional convention, now in session at Columbus, has plans for defining banks as corporations chartered under the banking laws of the state, and limiting banking business to such. This was done by Wisconsin 10 years ago, and has put the private bank out of business.

Private Bankers to Fight

Private bankers, in session at Columbus, named a secret committee to combat this provision. There are 245 private banking concerns in the state. An effort will be made to have another section drawn that will compel banks with only part of their capital paid in to pay in the remainder. Attorneys are investigating how this may be done. Double liability is on the amount of stock subscribed, and if only half is paid in the result is that such stockholders are liable to a quadruple liability.

The power of the state to inspect the foreign corporations that want to sell their stock in this state is being investigated, and power will be given the legislature to provide that safeguard to state investors. Stacey B. Rankin, secretary of the Ohio Bankers Association, in a statement before the committee, said that only 76 members of the body had responded to the inquiry as to how they stood on double

liability, although over 300 letters were sent out. Of this number 32 favored the change and 44 opposed it.

New York Laws Pretty Strict.

The name of the Mortgage Company of America has been ordered removed from the doors of the office of that concern in the Singer Building, New York, because of the failure of the company to obtain permission from the banking department to do business in the state. William L. Moyer, president of the company, says the company is making no efforts to transact business until it is prepared to do so in strict conformity with the laws of the state, and that the offices were opened and maintained solely for the purpose of selling stock in the new enterprise. In the opinion of outside interests, however, it is said that the movement was an initial one tending to the inauguration of the Bankers Guarantee Trust Co., a Delaware corporation.

New Amendment to Banking Act.

In accordance with Superintendent Van Tuyl's recent recommendations, Assemblyman Allen, of Oneida, chairman of the house banking committee at Albany, has introduced a bill to amend the state banking law, which provides that savings banks shall be examined by the superintendent of banks at least once a year, instead of biennially, as at present; that the superintendent shall have power to examine every agency of a foreign banking corporation doing business in this state to ascertain whether it has violated any law of the state; that an examination may be made in the discretion of the superintendent after he has taken possession of the property and business of any banking corporation or individual

banker, and for such other purposes as the superintendent shall prescribe.

Other New York Bills.

Last week too new bills were introduced at Albany which are strongly recommended by the American Bankers Association and the National Credit Men's Association. One makes it grand larceny in the first degree for a person knowingly to make any false statement in writing in respect to his own or some other person's or corporation's financial standing for the purpose of procuring the delivery of personal property, the payment of cash or the making or extension of a loan or credit. The second bill makes it a forgery in the third degree to alter or destroy any account or to make a false entry in an account, statement of financial condition or book of accounts or willfully to omit material entries, if done with intent to defraud. This provision is not to apply to any employe who, without personal profit, merely executes his employer's orders.

More Private Bankers Disappear.

Unable to stand the investigation of Pennsylvania State Banking Department under the recently enforced "Private Bankers Act," or to meet the demands of their depositors two Italian bankers have closed the doors of their institutions and mysteriously disappeared with the funds of their depositors and friends. One of the absconding bankers is Vincenzo D'Abruzzo, who was one of the two arrested some time ago on a test case to determine the constitutionality of the act and was out on bail. He is one of the ring leaders in the fight to enjoin the state from enforcing the new law.

Maryland Association at Work

The administration committee of the Maryland Bankers Association held a special meeting last week at Baltimore, at which resolutions were adopted requesting that a communication be addressed to the governor, the president of the senate and the speaker of the house, calling their attention to the provisions of the law creating the office of bank commissioner and defining his duties. Under this law, the commissioner is the only person who has the power and authority to pass upon applications for a charter for a bank, trust company or any corporation to be operated under the corporate laws of the state. The action is taken in view of the persistency with which certain senators and house delegates go to their respective bodies for a charter for a new corporation, without apparently knowing that neither the senate nor the house can act upon such an application.

Private Bank Attached in Michigan

Depositors of the private bank owned and operated by E. Burt Jenney at Lennox, Mich., who is also president of the State Savings Bank at Dowagiac, which was recently closed by the state banking department, being told that the liabilities of the concern would amount to \$125,000, with nominal assets of \$65,000, proceeded to plaster the institution with attachments. After forcibly ejecting E. A. Greenfelder, cashier of the Chesaning State

Trust Company Service in New York City

This company, with ample capital, large resources, and an efficient, and well-systematized organization, which dates back to 1864, has the ability and disposition to give good trust-company service.

Our various departments, including banking, foreign exchange, bond, trust, transfer, reorganization and collection, are well equipped with modern facilities for transacting business promptly and economically.

For these reasons we feel justified in cordially inviting the New York accounts of banks and trust companies.

Guaranty Trust Company of New York

Capital and Surplus	\$23,000,000
Deposits	\$156,000,000



125 West Monroe Street
CHICAGO

Central Trust Company OF ILLINOIS

Capital, Surplus and Profits, \$5,000,000
Deposits - - - 35,000,000

Accounts of banks and bankers received upon favorable terms

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

Bank, who held Jenney's power of attorney and had been placed in charge, Under-Sheriff Griffin took possession of the bank under several attachments.

How the Michigan Law Reads

5275. Section 6. No person or firm doing business under this act shall advertise or put up signs, or use any device or contrivance whatever tending to convey the impression that the place of business of such person or firm is an organized bank; but in all such cases such person or firm, if they advertise at all, must use their individual or firm name, and state in such advertisement the names of every member of such co-partnership or firm; in case any person or persons shall violate any of the provisions of this section, they shall be deemed guilty of a misdemeanor and shall each, upon conviction, be punished by a fine of not more than two hundred dollars and costs or by imprisonment of not more than six months in the county jail.

5276. Section 7. The state treasurer shall, when his attention is called to violations of any of the provisions of this act, refer the same to the attorney-general, who shall proceed, when warranted by the evidence, to collect the penalties as herein set forth; and all suits or proceedings for the violations of any of the provisions of this act shall be first commenced in the circuit court of the county in which the business office of said person or firm is located.

State Supervision

President B. F. Harris of the Illinois Bankers Association left Chicago on Tuesday morning for Washington, going as chairman of the association's committee on agriculture, to appear before a committee of congress on the subject of an appropriation for extending farm demonstration work. In the three days before his departure he received 578 replies to cards sent out by him, taking a vote by mail on the question of complete bank supervision for Illinois, and on the question of supervision of security-selling companies by the adoption of a "Blue Sky" law such as they have in Kansas. Of these 578 replies, 475 voted promptly for supervision of all kinds of banking in the state. Ninety voted "no" and thirteen were undecided. This ballot alone represents 37 per cent of the entire membership of the association, and 85 per cent of the vote cast was un-

qualifiedly in favor of supervision of private banking.

From the strictly private bankers the vote returned showed that ninety were opposed to state supervision, eighty being in favor of it and thirteen indifferent; the total vote cast by the private bankers in three days being 183. Only 49 per cent of those who voted, voted against state supervision, which shows that the gospel of responsible banking has been at work all over the state.

There were 461 votes in favor of the "Blue Sky" law, seventy-eight opposed and thirty-nine "Not sufficiently informed to vote." This is a preference of 80 per cent in favor of state supervision over security-selling companies. One peculiarity that the ballot shows is that out of the ninety private bankers who voted unqualifiedly against state supervision of private banks, twenty-nine voted in favor of supervision of security-selling companies, which would indicate that some of them, at least, are in favor of supervision for almost anything except their own institutions.

The letter containing the voting card was addressed to the presidents of banks. In the city of Chicago at this season of the year there are a great many bank presidents absent on their annual vacations. However, the thirty banks which did vote promptly were unanimous in favor of supervision. On the subject of supervision of security-selling companies, there was one opposed, twenty-two for

and seven undecided out of the thirty Chicago banks voting. A great many confidential letters have been written to Mr. Harris, and at least sixty of them are from private bankers. All of these sixty, except fifteen, are in favor of some kind of state supervision for private banking. It was impossible in the brief time at Mr. Harris' disposal to tabulate these letters, except the mere statement that 75 per cent of them are willing to have supervision of some sort instead of the present reign of "Go as you please" banking. It was the intention of President Harris to make direct reply to all of the confidential letters received, but his call to Washington temporarily has prevented this. He expects to be absent from the state about ten days. That those who have written to him may not be entirely disappointed in the matter, he sent out, just before leaving Chicago for Washington, a letter of explanation covering in a general way most of the points raised by his correspondents. These letters will not be direct replies to many of the letters which he received, but are sent out simply to show that Mr. Harris did the very best thing he could under the circumstances.

Briefly, the vote which has been cast up to the date of this writing shows that 85 per cent of the organized banks which cast their ballots voted for strict supervision, and that 80 per cent of those which cast their ballots voted for supervision of security-selling companies. It further shows that one-third of the private bankers who voted against bank supervision were in favor of state supervision over security-selling companies. If this proportion keep up until the end, it will show the high standard position which the membership of the Illinois Bankers Association takes upon the question of supervision. No legislature can find any reasonable excuse for not passing such a law when this representation is laid before it.

Henry A. Haugan

Henry A. Haugan, vice-president of the State Bank of Chicago, expects to leave the city next week for a month's vacation in California.

A call for condition of state banks in Texas was issued for February 20th by Commissioner Gill. The call found an even 700 state banks in Texas, the greatest number in the history of the state.

J. HERBERT WARE

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427 CHESTNUT STREET

Capital - - - \$2,000,000.00
Surplus and Profits 1,452,000.00
ORGANIZED JANUARY 17, 1807
Dividends Paid - \$13,197,000.00

OFFICERS

Howard W. Lewis, President
Henry B. Bartow, Cashier John Mason, Transfer Officer
Oscar E. Weiss, Assistant Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS, 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. Corner La Salle and Washington Streets

Capital - - - \$1,500,000
Surplus and profits (earned) 1,922,000
Deposits over - - 24,000,000

OFFICERS

L. A. GODDARD, President FRANK I. PACKARD, Asst. Cashier
JOHN R. LINDGREN, Vice-President C. EDWARD CARLSON, Asst. Cashier
HENRY A. HAUGAN, Vice-President SAMUEL E. KNECHT, Secretary
HENRY S. HENSCHEN, Cashier WILLIAM C. MILLER, Asst. Secretary

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Strong Support for Bank Supervision in Illinois

The failure of William A. Mason, doing business under the name "Wilson Avenue Bank," has brought to the attention of newspapers, and through them to the public, certain evils of the present banking system, or rather, some defects in the present Illinois laws which have long been known to bankers and been the subject of their most earnest and serious consideration.

The fundamental fact is that under our present banking laws any person or firm (but not a corporation) may hang out a sign or paint in gilt letters on their windows the word "Bank" or "Bankers," and in their individual and personal capacity transact all general banking business (except issuing bills and notes for circulation). Among the banking functions they receive deposits and loan money but without the requirement of any report to or examination by the state banking authorities. They are responsible to no one except the same theoretical responsibility which attaches when A hands his money to B in the street and asks B to keep it for him until he calls for it.

That there are honest and well-managed private banks does not admit of controversy. The fault is in the system and not in the majority of men engaged in the business. That these private banks serve a useful purpose in scattered communities of farmers and small villages is equally beyond question. In those localities there is not enough business to support a large incorporated bank. The reason why private banks have enjoyed a measure of success in those communities is this: The private banker is usually the most wealthy and responsible man in the community. His neighbors all know him and his wealth in land, buildings and live stock is daily before

Vice-president W. T. Abbott, of the Central Trust, Chicago, points to the Mason fiasco as a lesson to the whole people of the state. Changes which he thinks desirable in the law

their eyes. He is the man to whom they would naturally turn as the depository of their savings or for advice in their financial affairs. On the other hand, he is familiar with the banking needs of these same neighbors and their ability to repay. Hence, loans to them based on his personal judgment and secured on property, also under the daily observation of all, are in such cases the wisest investments for the funds of his depositors.

But when the community reaches a size where this intimate and mutual acquaintance and knowledge ceases, at that point the usefulness of the private bank stops together with the excuse or reason for its existence. Beyond that a system which permits the private bank is all wrong notwithstanding an occasional good example. Banking business, except in the smallest communities, should be confined to incorporated companies acting under national or state laws and subject to

rigid examination by the banking department of the government. There is no other safeguard for depositors.

The possible insolvency or failure of the private bank or the individual doing business as a private banker is not the only or greatest evil. Even if such a bank is well and honestly managed, on the death of the private banker the affairs of the bank must be closed up in the same manner as all his other business affairs, namely, through the probate court of the county in which he lives. There are necessarily involved in it all the delays and vexations which are inevitable in connection with the settlement of any man's estate in that court. The depositors cannot get back their money until the affairs of the estate are fully settled, the estate found to be solvent and sufficient of the securities sold or otherwise realized upon to enable a distribution to be made. If a regularly incorporated bank should, through bad loans or investments become insolvent, its affairs are administered by officials of the banking department either of the state or national government. In case the other resources of the bank are insufficient to pay the deposits, then the stockholders in such bank must contribute in addition to their stock an assessment equal to the par value thereof. This is known as the double liability of the stockholders. In Chicago, in addition to the rigid examination by the state officials, a supervision is also maintained by the clearing house association over all banks which are members of that association, and the loans and investments of those banks are so diligently scrutinized that to-day there is practically no risk that the depositors in those banks will not receive their money in full, and also, what is quite as important, they are cer-

American National Bank Louisville, Ky.

Capital and Surplus, \$1,000,000

LOGAN C. MURRAY, Pres.
CHAS. C. CARTER, Asst. Cash.

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Unsurpassed Excellence of Service for Collections

A Record for Speed

On a Dam and Power House built for the Chippewa Valley Light & Power Co., on the Red Cedar River, at Cedar Falls, Wisconsin

Contract signed	Feb. 1, 1910
Superintendent arrived on the work.....	Feb. 9, 1910
Work begun	Feb. 10, 1910
Machinery for construction arrived.....	Feb. 21, 1910
Coffer dam begun	Feb. 25, 1910
First concrete laid	April 19, 1910
First section completed and River turned.....	June 13, 1910
Superintendent left work.....	Sept. 20, 1910
Dam completed by Assistant Superintendent.....	Nov. 1, 1910
NINE MONTHS AFTER SIGNING CONTRACT	
Current turned on.....	Dec. 1, 1910
Working force disbanded	Dec. 6, 1910
Current furnished to customers.....	Dec. 15, 1910
TEN MONTHS AND FIFTEEN DAYS AFTER SIGNING CONTRACT	



Yardage rock excavation	12,326 cu. yds.
Yardage concrete	16,353 cu. yds.
Number of units in power house.....	4 with 2 exciters
H. P. of each unit.....	3,600 under 48 ft. head
Length of dam including power house.....	500 ft.
Height of dam above river bed	55 ft.
Height from bottom of wheel pit to roof of power house	61 ft.
Available head created	51 ft.

Respectfully submitted,

Ambursen Hydraulic Construction Company

ENGINEER-CONSTRUCTORS

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All inquiries from Canada should be addressed to AMBURSEN HYDRAULIC CONSTRUCTION COMPANY OF CANADA, Ltd., 405 Dorchester Street, West, MONTREAL, P. Q.

tain to receive it immediately or upon demand.

Various changes in the law have been considered from time to time which have failed passage in the legislature for reasons which need not now be discussed lest this might be construed as criticism where criticism is not intended. One addition to the law would be to make it a criminal offense for any person or firm to use the word "Bank" or "Banker" in a way to invite deposits of money with himself. The same law should likewise visit with severe punishment any person or firm using the word "Trust" as a part of his or their business name, thus advertising themselves as being a trust company. The legitimate services of a trust company are brought into disrepute by unscrupulous persons making use of this title as a means of deliberate fleecing the unwary through dealings in questionable mortgages and other wildcat securities. The number of their victims may not be so great as in the case of the failure of a private bank, but the individual hardship is just as severe.

The effect of such a law should be to restrict the use of the words "Bank," "Bankers" and "Trust Company" to those corporations which exist by virtue of law and are subject to government inspection. This would require all banks (not national) to form an incorporated company under the laws of the state with an actual paid-up capital and to be at all times subject to state inspection and compelled to report to the state banking department at regular intervals. The state cannot discriminate between good and bad private banks. There must be some law uniform in its application but with a graduated scale of capital requirements so as not to cut off the small villages from banking facilities adequate to their needs. The essential point to

be reached, the end to be obtained, is publicity; an understanding, on the part of the depositors, of the nature of their dealings with their bank. We found from personal investigation that all the depositors in the "Wilson Avenue Bank" (except a few business men) supposed that they were dealing with a real banking institution and not with William A. Mason as an individual. The one essence of the amendment of the law is to make such provision that if John Smith as an individual invites people to deposit their money with him, he should designate his relation to them

in such a way that they shall make their deposits understandingly, and with a full knowledge of the difficulties they will encounter when they want to get their money back; that if he becomes insolvent either through dishonesty or bad investments they will never see their money again; that, if honest and financially intelligent, he may die at any moment and their funds be tied up until his estate has gone through the probate court, that he is subject to no supervision, and that at the best his personal responsibility is no greater than if the money was handed to him on the street.

Though the unfortunate depositors will remember the Mason case for a long time and it will result in many cases in great individual hardship, it will soon cease to be a matter of interest to newspapers and the public. But it must not be forgotten that it is only through agitation in the papers, constant and not spasmodic over a particular case, and continued in season and out, until the legislature shall enact into law some bill embodying the above provisions, that our state will be relieved from this crying evil and gross injustice to the poor and ignorant.

HOUSTON BANKER DIES

Henry S. Fox, Sr., president of the Houston National Exchange Bank, and one of Houston's most honored and respected business men, died very suddenly at his home on February 20th.

A. Barton Hepburn, chairman of the Chase National Bank, and Clark Williams, president of Windsor Trust Company, New York City, have left for Valdosta, Ga., where they will spend about two weeks quail shooting. Mr. Hepburn will then go to Hot Springs, N. C., for another two weeks, returning to New York about the middle of March.



W. T. ABBOTT

Vice-President, Central Trust Company of Illinois, Chicago



ESTABLISHED 1902

CHICAGO SAVINGS BANK AND TRUST CO.

STATE AND MADISON STS. CHICAGO.

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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

B. F. Harris, president of the Illinois Bankers Association, has spent this week in Washington, where he has been working with the members of the agricultural committee of the American Bankers Association in calling the attention of members of Congress to the McKinley bill now pending which will carry out the idea of the Minneapolis conference of "banker-farmers" held last fall.

National Citizens' League in Peoria

The meeting of the National Citizens' League of Illinois at the New Jefferson Hotel in Peoria brought together a number of bankers, financiers, and business men. Alexander H. Revell, of Chicago, delivered the principal address of the day and declared himself strongly in favor of "banking reform and the fundamental principles of the bill prepared by the National Monetary Commission now pending in Congress." Mr. Revell demonstrated that the "monetary problem is not political and that the bill under consideration must provide a square deal for the small merchant, the small banker, the farmer, the wage-earner, and the man in the street. Like the sun and the rain, the beneficent effects of a good monetary system will be felt by rich and poor alike."

The Fight on Loan Sharks

Illinois newspapers and citizens are aroused by the war on loan sharks. Not only is the work of these brokers in Chicago and the larger cities of the state recognized as a distinct evil, but in many smaller towns, merely villages and "burgs," there is usually a Shylock dealing with the people in a high-handed way. Railroad shops and manufacturing establishments throughout the state have their money-lenders who demand exorbitant interest for small loans. The Survey Press Bureau is furnishing to newspapers some excellent publicity matter which may aid in quickening the public conscience on this question.

"Made-in-Rockford" Show

Rockford will again demonstrate its financial strength in its annual "Made-in-Rockford" show. Commercial clubs from several cities in northern Illinois and southern Wisconsin will attend the show, among them being La Salle, Freeport, Elgin, Oregon, Beloit, and Janesville as well as representatives from the Chicago Association of Commerce, the Fox River

Manufacturers Association, and the Illinois Manufacturers Association. Other cities have used these exhibitions for publicity purposes with success, among them being Bloomington and Peoria.

Menard County Bankers Meet

The Menard County Bankers Association met in Petersburg with a day session and with luncheon at noon. C. C. Frackleton, cashier of D. S. Frackleton & Company of Petersburg, is chairman of the association and Mr. Purvines, of Tallula, is secretary. Protective work against fraud and burglary will be urged by the Menard county bankers.

High Prices for Illinois Soil

The soaring prices of Illinois land seem to be the usual custom now. Instances are common where farming land has been selling for \$250 an acre or better. A farm of fifty-five acres in Morgan County near Jacksonville was sold recently for \$256 an acre, an unimproved tract in Coles County near Charleston has been sold for \$250 an acre, while the transfer of a farm in Piatt County near Monticello with old improvements for \$400 an acre seems to be the highest reported for purely farming lands.

The question as to how long these prices will continue to soar is an interesting economic topic for bankers and land-owners. But the consensus of opinion is that Illinois land of the first quality will never be any cheaper, but rather more expensive. The security of the investment, its borrowing power, and its quick sale when necessary are powerful assets for the Illinois land-owners. Farm products in grain

and live stock continue high, and these figures help the price of land. Public sales of live stock this winter have demonstrated that heavy young horses, brood mares, dairy and beef cattle and swine have commanded uniformly high prices. A sale near Paxton brought \$28 a ton for timothy hay; \$16 a ton for oats straw, and \$14 a ton for wheat straw. The invasion of the motor truck seems to have had no effect on the demand for chunky young horses, but drivers are not selling so well.

State National of Bloomington

The State National of Bloomington reported deposits of \$1,047,730 at the date of the last call, February 20th. The State Trust and Savings Bank, an allied institution, reported deposits of \$307,210, so that the combined deposits of these combined banks is nearly one and a half millions. H. K. Hoblit, cashier of the State National, and E. M. Hoblit, cashier of the State Trust, are among the leaders in Bloomington's younger bank circles. The Hoblit family have been connected with this bank for many years. A handsome and substantial banking house of the monumental plan has been used by the banks for two or three years. Jacob Funk, a member of the well-known pioneer Funk family is the president.

Illinois Notes

The three national banks of Monmouth reported deposits to be high at the last call. The

F. E. FARRELL Established 1864 **E. E. CRABTREE**

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JACKSONVILLE, ILL.
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A Strictly Commercial Bank

IRVING NATIONAL EXCHANGE BANK

A Decade of Growth—Comparative

United States	1900	1910	Per Cent Increase
Population.....	75,994,000	91,972,000	21%
Wealth.....	\$88,517,000,000	\$125,000,000,000	41%
Money Circulation.....	2,055,000,000	3,180,000,000	54%
Savings Bank Deposits.....	2,458,000,000	4,070,486,000	70%
National Bank Deposits.....	2,458,000,000	5,287,216,000	115%
Bank Clearings, U. S.....	84,582,000,000	158,559,487,000	87%
Bank Clearings, N. Y.....	51,964,000,000	99,257,662,000	91%

Irving National Exchange Bank

	1900	1910	Per Cent Increase
Capital.....	\$ 300,000	2,000,000	566%
Surplus and Profits.....	100,900	1,797,900	1681%
Deposits.....	3,446,500	28,360,200	722%
Assets.....	4,108,800	33,347,200	711%

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is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over \$40,000,000.00



Peoples National reported deposits of \$802,970; the Second National, \$703,755, and the National of Monmouth, \$1,039,642. Fewer land transfers around Monmouth this first of March are reported than for many years previous.

Peoria citizens will vote this year on a bond issue of \$50,000 for permanent improvements on the levees along the river front.

Bank deposits over the state have reached a high-water mark, according to the call, February 20th. Reflecting the strength of out-in-state banks we mention the German-American National of Pekin with deposits of \$1,002,615; the Illinois National of Peoria, \$2,202,794; the State Savings and Trust of Peoria, \$655,812; the Merchants National of Peoria, \$2,348,053; the First National of Peoria and the Savings Bank of Peoria, allied institutions, \$6,239,881; the Sangamon Loan and Trust of Springfield, \$2,705,056; the First National of Springfield, \$1,935,763; the Central Illinois Trust of Mattoon, \$388,373; the National Bank of Mattoon, \$1,440,659; the First National of Canton, \$967,445; the German-American National of Lincoln, \$846,740, and the Lincoln National of Lincoln, \$1,152,816.

BANKER-WIZARD PUPAUSKY CONVICTED

George A. Pupauskys, West Side private banker, who styles himself the "grand vizier and prince of darkness," was found guilty of sending obscene matter through the mails by a jury in Judge K. M. Landis' court on Tuesday. As a fake wizard he can be fined \$5,000 under U. S. law, but as a fake banker he can go right back to work under Illinois (lack of it) law.

Robert C. Lewis, who has resigned as president of the Guardian Trust Company, New York City, to be free from business cares during his extended trip in Egypt and Europe, will sail on the S. S. Carmania on March 2d for Cairo.

C. L. Fulkerson

The State Bank of Lake Forest has advanced C. L. Fulkerson to be an assistant cashier.

WM. A. MASON A BANKRUPT

Mason, owner of the "Wilson Avenue Bank," was declared a bankrupt by U. S. Judge Landis on Monday. Mason ultimately would have been forced into bankruptcy, even if he had not made unprofitable speculations with the depositors' money. This became known yesterday during the banker's examination before Referee in Bankruptcy Frank L. Wean.

Of the 900 depositors who trusted their savings to Mason, about 700 were school children, according to the attorney for the receiver. The deposits were in small savings banks loaned by Mason.

Mason admitted that up to January 31st there was a legitimate shortage of \$9,272.09. He said he lost money from the beginning.

"My expenses always exceeded my earnings," he said.

"You kept right on receiving deposits, did you?" inquired Attorney Archibald Cattell, representing the receiver.

"Yes, sir."

"Let us sum up, then," suggested the lawyer. "You had deposits amounting to \$43,000. You said your investments amounted to \$11,000. Other items totaled \$10,000. You turned but \$2,000 over to the receiver. The difference is \$20,000. Where is that?"

Mason squirmed about in his chair, looked at the ceiling and then at the floor.

"I don't know," he finally said.

"How do you account for that sum of money disappearing?" was asked.

"I just don't know," was his answer.

Although the questioning continued in various forms, that was as much information as was obtained.

DEATH OF EBENEZER BUCKINGHAM

Ebenezer Buckingham, business man, banker, and one of the early residents of Chicago, died Sunday afternoon at his residence, 2036 Prairie Avenue.

In late years Ebenezer Buckingham became connected with the Traders Insurance Company, the Northwestern National Bank, and other enterprises. In 1890 he succeeded George Sturges as president of the Northwestern National Bank, a position he retained until the merger of that institution with the Corn Exchange National Bank. Then he virtually retired from active business life.

BUYS GRAHAM BANK SITE

The Graham Safety Deposit Company has purchased the fee of the property formerly held by it on 99 year lease, and constituting a part of the site of the Graham and Sons new bank building.

Waco, Tex. is contemplating a bond issue of \$400,000 for waterworks improvement.

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SURPLUS - - - 1,000,000

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Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

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BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

In response to the call of State Bank Commissioner, A. E. Knolt, all state and savings banks in Milwaukee this week published statements of their statuses at the close of business February 20th. Business is reported quiet and collections satisfactory. Receipts and shipments are light.

Arranging for Group Meetings

Secretaries of the several groups of the Wisconsin Bankers Association met at the office of George D. Bartlett, secretary of the state organization, on Wednesday to outline programs for the group conventions which will be held in rotation preceding the state convention in Milwaukee in June. Those present were: H. D. L. Adkins, First National Bank, Elkhorn; Carl Rosholt, State Bank of Rosholt, Rosholt; Milo C. Hagan, Merchants and Savings Bank, Madison; W. R. Dysart, First National Bank, Ripon; William D. Brady, Citizens State Bank, Rice Lake; and E. J. Wilds, State Bank of Bangor, Bangor.

Milwaukee News Notes

E. J. Hughes, assistant cashier of the First National Bank, went to Chicago Wednesday on business.

The First National Bank has been approved as the reserve agent of the First National Bank of Hayward.

Three Arrests for Forgery

Three arrests on forgery charges were made in Milwaukee this week. Becoming con-

science-stricken, M. H. Ingalls, a bookkeeper employed in Milwaukee, surrendered himself to Sheriff Arnold with the statement that he was wanted for forgery at Marquette, Mich., and Chief-of-Police J. H. Manning, of that city, and Harry Williams and Walter Trupke were arrested for forging and uttering checks on the National Exchange Bank of Milwaukee and confessed. They secured check blanks being prepared for the H. W. Johns-Manville Company while in the employ of the Milwaukee Lithographing Company, and the absence of the customary numbering on the checks led to their arrest. George Heyder, self-confessed forger and burglar arrested last week, was sentenced in municipal court to eight years at Waupun.

Must Serve Out Term

According to the decision of the Wisconsin supreme court, Lawrence Murphy, convicted "loan shark," must serve out his term at the house of correction on the charge of usury. Attorneys of the wealthy Milwaukee loan broker have exhausted all expedients to have his term curtailed.

Wisconsin Notes

The audit of the city books started this week. The contract was awarded to the W. E. Heal Audit Company, Washington, D. C., for \$5,680.

The Wisconsin state treasury is refusing to accept personal checks in payment of state

taxes, returning all such with the advice that a draft is more acceptable.

Robert Simonds, Lake Mills, a student at the University of Wisconsin, pleaded guilty this week to a charge of passing worthless checks on Madison stores. Bail was fixed at \$1,000 and the case adjourned for a month.

A new state bank has been incorporated at Wheeler with a capital of \$10,000. The bank will occupy temporary headquarters until spring, when a new building will be erected.

At a meeting of the stockholders of the American Exchange Bank of Merrillan this week, it was voted to change the name of the institution to the State Bank of Merrillan and to increase the capital stock to \$10,000. A new building will be erected during the coming summer.

James T. Gregory, for many years cashier of the Ashland National Bank, has resigned his position to devote his time to timber interests in the West. He was succeeded by Carl Rudquist, formerly assistant cashier.

A. J. Frame, president of the Waukesha National Bank, will leave for San Antonio, Texas, on Sunday. A stop will be made at Memphis, en route, where he will address the bankers and business men on March 5th. Mr. Frame will speak before a similar audience at Little Rock, Ark., the following day.

Articles of incorporation for the First State Bank of Solon Springs have been filed with the



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

secretary of state. The bank is capitalized at \$15,000 and is the first at Solon Springs.

Bids for the construction of the new Lincoln County Bank Building at Merrill were opened this week.

Walter Brown, formerly connected with Stevens Point and Marion banks, has disappeared from his home at Arnott, Wis. He left home on February 15th, leaving deposited money undrawn and without extra clothing and has not been seen or heard from since.

A SPECIAL REVIEW ON ERIE

Messrs. Ware & Leland, bankers and brokers of this city, have issued a special circular reviewing the present condition of the Erie Railroad Company, its resources, and securities. They are taking a very strong position and are advising customers to purchase Erie common for a "good speculation." These shares selling below par in this country. The ing to-day at 32, being the only trunk line shares selling below par in this country. The circular contains full details with a statistical summary, and will repay well the time necessary for making a careful investigation of the proposals made by Ware & Leland. It will be sent to anyone upon request. The firm's address is 160 West Jackson Boulevard, Chicago.

HELP ON "BLUE SKY" LAW

Lawrence, Kan., February 28.—When a concern which has an invention that will revolutionize transportation in a few months tries to sell stock in Kansas hereafter, the engineering department of the state university will take a look at the contrivance. J. N. Dolley, state bank examiner, asked Chancellor Strong for the co-operation of the university in enforcing the "blue sky" law.

"Many applications to sell stock are based on inventions," the bank commissioner said. "Here is a man who would utilize an undeveloped power of nature and get a billion horse power a minute. All he needs is a few hundred thousand dollars that he hopes to get from the prosperous farmers of Kansas."

The banking department will pass upon the business end of these companies and the merits of the mechanical inventions will be tested at the university.

Marshall & Ilsley Bank

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Surplus and Profits 500,000.00

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Conservative Progressive

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S. H. MARSHALL
R. N. McMYNN
C. C. YAWKEY

Tacoma-Olympia

Secretary P. C. Kauffman, secretary of the Washington Bankers, sends out the following: "At a meeting of the executive council of the Washington Bankers Association held in Tacoma, an invitation was extended by E. T. Wilson, chairman, on behalf of the associated bankers of Tacoma, to hold the seventh annual convention of the association there the last week in June. A similar invitation was extended by C. J. Lord, president of the Capitol National of Olympia, on behalf of that city. It finally was decided to hold the convention jointly in the two cities as follows: Date of the convention to be Thursday, Friday and Saturday, June 27, 28 and 29, the business sessions to be held in the city of Tacoma Thursday, June 27, and Saturday, June 29, the whole day Friday, June 28, to be given up to the entertainment of the delegates, visitors and guests; a steamer to be chartered to take the entire party a trip on Puget Sound to the city of Olympia, where they will be welcomed by the citizens and bankers of Olympia and entertained for the day, returning to Tacoma that same night. Saturday afternoon the bankers of Tacoma will entertain the visitors and delegates by an automobile ride to Tacoma's beautiful Country Club for a banquet and dance.

Pomona, Cal.—The Claremont National Bank has received its charter. The capital of the bank is \$30,000. The board of directors will buy a site and erect a building at once. The directors are: J. T. Brooks, president; W. S. Palmer, J. S. Cooper, A. W. Towne, A. W. Smith, and M. F. Palmer.

MAN WANTED

WANTED—Competent man with knowledge of banking to assume management of banking publication. Good opportunity for right man.

Address P. O. Box 886 Milwaukee

GROUP 10, ILLINOIS, OFFICIALS CONFER

The chairman of the executive committee and other officials of Group 10, Illinois, held a conference at Cairo on February 22d with twenty-eight members present. Dinner was served at one o'clock in the private banquet room of the Halliday Hotel, and the session continued until 4:30 p. m. There was a general discussion of group work and short talks on banking conditions in southern Illinois, which were very much enjoyed by those present. One of the principal topics was the time and place for holding the next annual meeting of the group. This was left in the hands of the officers to decide. General sentiment seemed to favor holding the meeting as near the time of the meeting of Group 9 (set for May 23) as possible. The purpose of this is to give officials of outside banks and officers of the state association an opportunity to attend both group meetings on consecutive dates. Benton and Carmi were both spoken of and an invitation also was at hand from Carbondale. J. S. Aisthorpe of Cairo is chairman of the group and E. B. Jackson of Marion is secretary.

VISITING BANKERS IN CHICAGO

Among visiting bankers in Chicago during the past week were the following: E. J. Hughes, assistant cashier of the First National, Milwaukee; William Woodward, president of the Hanover National, New York; D. S. Culver, president of the Minnesota Bankers Association, St. Paul; Joseph Chapman, Jr., vice-president of the Northwestern National, Minneapolis; George Woodruff, president of the First National, Joliet; McLane Tilton, secretary of the Alabama Bankers Association, and wife; F. J. Woodworth, vice-president of the First National, of Cleveland; J. V. McDowell, of the First National of Forrest, Ill.; William G. Hegardt, cashier of the American Exchange National, Duluth. Mr. Hegardt reports easy conditions of money in the Northwest. George M. Burr, of Sands and Burr, Manistee, Mich., was a caller at the First National. "One of the strongest banks in the state of Michigan—and a private bank at that," said August Blum.

Edward Miniski has been elected cashier of the Farmers National Bank, Minnesota Lake, Minn.



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SURPLUS \$2,500,000

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G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, February 28.—Ultra quietness was the feature in the local monetary situation during the past week. Practically all bankers here are unanimous in the opinion that things could not be much quieter. The following of the head into the ring after the hat has served to further upset things, and render money more timid, according to the heads of several of the larger financial institutions. This added political unrest, it is believed, will still further defer general business activity, which, it is maintained, cannot be resumed until after the conventions, and even then there may be such uncertainty that only the election can settle and adjust things. The recent bank statement showed an extremely strong position, that is strong like the strong walls of a fortress, but it also showed no foment of activity within said walls. Loans, deposits, and reserves all increased since the December statement, but the expansion in loans did not keep pace with the former items. As a result, the heaviest percentage of gain was shown in the cash and sight exchange items. Several banks showed husky gains in deposits, which would be most satisfying, were only the demand for credits better and rates slightly higher. Only one of the larger institutions showed a decrease in loans. On the whole, the statement is satisfactory, and to a demonstration shows that this center is in a position to cope with any situation which may develop, either before or after the election. Collections are reported as being for the most part satisfactory, though there are some backward spots in the South and Southwest. One very hopeful factor in the situation just now is the seasonable weather and excellent crop outlook. Though this is early for forecasting what yields are likely to be, the indications now are the most favorable in years, and the expectations along these lines may go far to offset uncertainty attendant upon presidential year.

Bankers' Trust Company

The Bankers' Trust Company, which owns and controls a chain of country banks, has increased its capital stock from \$1,000,000 to \$1,250,000, the increase having taken place March 1st. Stockholders of record on that date were permitted to subscribe for the new stock on most advantageous terms, which fact is responsible for the recent high prices obtained for Bankers' shares.

Commonwealth's New Building

The Commonwealth Trust Company has arranged a \$1,500,000 loan with the Metropolitan Life Insurance Company of New York for a twenty-one story office building on the northeast corner of Broadway and Olive Street, the

site occupied at present by its banking edifice. It is stated that all the leases have been purchased in the property involved, with the exception of one on the old Third National Building. Tenants of the old structure have been notified to vacate by May 1st, on which date wrecking will commence. The plan embraces a quarter of a block, extending on Olive Street to the alley, and on Broadway to the building occupied by the Scarritt-Comstock Furniture Company. It is understood that the Commonwealth Trust will occupy the new Bank of Commerce Building during the period of construction, though this has not been decided, and the building on the northeast corner of Broadway and Locust Street, which the Trust Company owns and which was formerly the home of the Mechanics-American National, may be utilized.

Fight on Tax Mortgages

Members of the St. Louis Real Estate Exchange are considering measures which they desire to have presented to the Missouri legislature at the next term, in the hope of obtaining legislation in the interest of their line of business. Chief among the things wished for is a repeal of the taxation on real estate mortgages. This was suggested by Festus J. Wade, president of the Mercantile Trust Company, at the annual meeting of the Exchange. Mr. Wade held that as all real estate was taxed, mortgages or other securities on real estate should be exempt. The Mercantile Trust has an enormous business in its real estate department.

Victory for Missouri-Lincoln

The suit of E. M. Dorsey against the Missouri-Lincoln Trust Company to recover \$10,000, which the plaintiff lost in the West End Realty Company, was decided in favor of the Trust Company. Several similar actions hinged on this decision, and the outcome is an important victory for the company, and will

doubtless materially aid the success of its plans for reorganization. The West End Realty Company was formed to take over a tract of residence property in which the Missouri-Lincoln was interested. The scheme did not work out, and when the property was sold for debts there was nothing left for the stockholders. It was shown that Dorsey was an officer in the West End Realty Company and in a position to ascertain the character of his investment. The failure of the deal was attributed to general depression in the realty market. Along with the Missouri-Lincoln as a company, A. A. B. Woerheide, August Schlafly, Thomas Wagner, and Pinckney French were named as defendants.

Steel Barge Enterprise

Numerous applications have been received by the St. Louis-Gulf Steel Barge Line Company, now in process of organization, from neighboring cities on the Mississippi River for stock in the company. Commercial organizations in these smaller cities indicate that they believe the barge line should not be made exclusively a St. Louis enterprise, as its operation will benefit the entire Mississippi Valley. Lewis B. Boswell, of Quincy, Ill., secretary of the Upper Mississippi River Improvement Association, has made strong representations for the area he represents. A. L. Shapleigh, acting chairman of the organization committee, says that while members of the committee appreciate the co-operative spirit displayed by Mr. Boswell and others, it is unlikely that shippers outside of St. Louis will be invited to subscribe to the preferred stock. When increased business necessitates increased capitalization, outside subscriptions will be considered.

Grover Succeeds Wells

James H. Grover, bond officer of the Mississippi Valley Trust Company, has been elected president of the Mortgage Guarantee Company, to succeed Rolla Wells, who retired to become vice-president and member of the directory. Mr. Grover was also elected a vice-president and director of the Mortgage Trust Company, a company affiliated with the Mortgage Guarantee Trust Company. He will assume the duties of his new offices early this month. Mr. Grover is a St. Louisan by birth, and has had his entire business experience in this city. He was a partner of his father, Hiram J. Grover, until the latter's death in 1903. He was made bond officer of the Mississippi Valley Trust in 1910.

Bankers Discuss Savings

An important conference between the law committee of the American Bankers Associa-

Our correspondents are pleased with the care we take of their business at the St. Louis National Stock Yards, because it is *thoughtful*, not mechanical.

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National Stock Yards - Illinois

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192 BROADWAY

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tion and Southern Illinois and Missouri bankers was held on Thursday in the rooms of the St. Louis Clearing House Association. The committee has been asked to investigate the plan to separate savings deposits from commercial assets. It is intended to prevent using the savings, under the ninety-day notice rule, to pay depositors whose claims cannot be deferred. Members of the committee are: Pierre Jay, chairman, of New York; John F. Hagey, of Chicago; Isaac H. Orr, of St. Louis; Lynn H. Dinkins, of New Orleans; John H. Sturgis, of Boston; and Thomas B. Patton, of New York.

CLOSES A BIG OHIO BANK

Columbus, Ohio, February 26.—Announcement was made to-night by F. E. Baxter, state superintendent of banks and banking, that he had taken charge of the Columbus Savings and Trust Company. The bank was incorporated January 5, 1901, and had an authorized capital of \$1,000,000 and paid in capital of \$610,000. Mr. Baxter expressed the opinion that depositors will be paid in full. He said constant withdrawal of deposits since the failure of another local banking institution last December had reduced the assets and he had deemed it his duty to take charge, in view of the inability of the management to realize upon certain securities.

Columbus, Ohio.—Harry E. Hayes, wealthy banker and clubman of Cleveland, who is serving a term of five years in the Ohio penitentiary for embezzlement, was granted a parole by the state board of administration. The parole will take effect July 1st. Hayes has served nearly two years in prison.

NEW A. B. A. MEMBER BANKS

Following is a list of members joining the American Bankers Association for period beginning Wednesday, February 7th, and ending Tuesday, February 20th, both inclusive:

Alabama—Brewton, Farmers & Merchants Bank of Escambia.

Arkansas—Little Rock, Arkansas Savings Bank.

California—Milpitas, Bank of Milpitas; Modesto, Farmers & Merchants Bank; Napa, Bank of Napa; San Francisco, Italian Popular Bank.

Florida—Jacksonville, Heard National Bank.

Georgia—Pulaski, Citizens Bank.

Illinois—Bradley, Bradley State & Savings Bank; Knoxville, Knox County State Bank.

Indiana—Indiana Harbor, Indiana Trust & Savings Bank.

Iowa—Alta, Alta State Bank; Grundy Center, People's Savings Bank; Ireton, The Northwestern Bank; Kingsley, Bank of Kingsley; Lenox, First National Bank; Sioux City, The Mid-West Bank; Waterloo, Central Savings Bank.

Louisiana—Gueydan, Peoples Bank & Trust Company.

Massachusetts—Boston, Charlestown Trust Company; Boston, Mutual National Bank; Lenox, Lenox Savings Bank; North Adams, North Adams Savings Bank; Whitinsville, Whitinsville Savings Bank.

Michigan—Warren, State Savings Bank.

Mississippi—Collins, Bank of Collins.

New York—Fonda, National Mohawk River Bank; New York, Beyer & Company, 52 William St.; New York, Chas. H. Jones & Co., 20 Broad St.

Ohio—Lakewood, Lakewood State Bank; New Philadelphia, Merchants State Bank; Port Clinton, First National Bank.

Oklahoma—Atoka, American National Bank.

Pennsylvania—Greensburg, Merchants Trust Company; Philadelphia, Provident Life & Trust Co.; Pittsburgh, Gordon & Co., Union Bank Bldg.

Texas—Crandall, First National Bank; Dallas, First State Bank; Midland, First National Bank; Seguin, E. Nolte & Sons, Bankers.

Virginia—Richmond, Richmond Bank & Trust Company.

Wisconsin—Algona, Citizens Bank.

TAKES CHARGE OF OHIO BANK

Columbus, O., February 27.—F. E. Baxter, state superintendent of banks and banking, has taken charge of the Columbus Savings and Trust Company. The bank had an authorized capital of \$610,000. Mr. Baxter expressed the opinion that depositors would be paid in full.

BANKED IN ICE BOX

Cleburne, Texas, February 26.—While the family of S. E. Rawls was away last Friday night some one entered his home, stole \$450.15 that had been hidden in the ice box and then set fire to the house.

State Banking Commissioner B. L. Gill of Texas attended the Dallas bankers' meeting recently and said that the banks of Texas were in fine shape and were in safe hands. Mr. Gill is accompanied in his rounds of the Texas meetings by various state examiners.

Washington.—The National Bank of Commerce of Guthrie, Okla., has been placed in voluntary liquidation.

Editorial Comment

A USEFUL ORGANIZATION

The Chicago papers are daily commending "the usefulness of the Illinois Bankers Association" and cheering on its way the movement for a better banking law and a separate state banking department. Every paper, from the modest to the grand—all have engaged in the work. The Record-Herald approves "a movement within the association to bring the private banks of the state under control of the state banking department, to create in Illinois some regulation of the sale of 'investment stocks' and to inculcate among citizens habits of thrift and sound investments. Much favor is being expressed for these propositions. Every organization of business or technical men can find a broad field for its energies and usefulness if it realizes the interdependence of interests and the need of combined action that are so marked features of present-day civilization. The broader the field the better, for the good of both public and private interests."

The Chicago Tribune says that the work is being pushed wisely and that the "association is carrying forward the campaign for banking supervision with energy and practical sense." In conclusion of a splendid editorial the Tribune says: "It is to be hoped the bankers of this representative organization will concentrate their influence and adopt well considered measures to bring about proper supervision over all banking and loan enterprises in Illinois. It is a discredit to the people of the state and to the banking fraternity especially that we are so far behind in our legislation in this field."

Kentucky has just passed a new banking bill establishing state supervision by an almost unanimous vote. It creates a separate banking department, too, that the law may be efficiently enforced. The two things are necessary to take bank examiners and the conduct of the office entirely out of politics. Illinois needs universal bank supervision but little worse than she needs a separate banking department with a commissioner and examiners on civil service basis.

RESPONSIBILITY FOR STOCK-SELLING ENTERPRISES

The proposal to give to Illinois a statute putting stock-selling and investment houses under state supervision and control has met with very general favor. A note of criticism has arisen, however, first from Mr. Bosworth, an experienced bank examiner and president of the Peoples Trust of this city, and second from Mr. Hulburt, vice-president of the Merchants Loan and Trust of Chicago, a student of banking in its higher sense. These gentlemen fear that if stock-selling concerns are put under supervision, the state might be led into endorsing questionable enterprises by error of judgment, and that the state might assist in

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

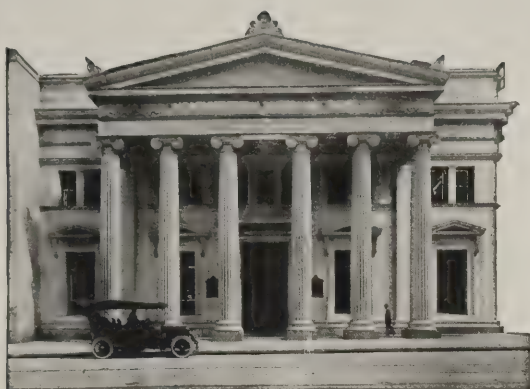
some instances of disposing of worthless securities. At first this seemed a much more formidable criticism than it did on second thought. Those who have studied the banking situation in Canada are fully aware that Canada is without bank supervision to-day for the sole reason that some of the more conservative bankers believed that the state by supervision and examination might be held responsible for banks which really were not trustworthy, and that thereby the government might induce people to place their money in unsound institutions. This sort of argument would be laughed at in Chicago and in contiguous states, yet practically it is the same as that offered by Messrs. Bosworth and Hulburt. The same sort of doubt would prevent the state from allowing a surgeon to practise least he might be guilty at some time of malpractice, or a druggist least he might at some time give the wrong medicine and thereby cause a death.

The so-called "Blue Sky" law of Kansas had the same objections raised against it at the time it was before the legislature. Finally the advocates of this measure succeeded in pacifying the objectors. This celebrated law compels all those applying for a license to sell stocks and securities to file, under oath, full details of organization, as well as a full financial statement, giving a list of the officers and principal stockholders. The commissioner then either may take their word for it, or he may proceed to make a detailed investigation. He must be satisfied that the concern is solvent, and that there is a fair, just promise of return to those who invest. He then issues a certificate to the company, or refuses it, according to the facts placed before him. Heavy penalties are provided for trying to do business without this license. Every seller of stock, bonds and other securities in Kansas must carry with him a certificate which states that his company has complied with the law. This certificate tells where full detailed information (made under oath) may be found by which anyone interested may satisfy himself that it is a legitimate concern. It is recited upon the face of the certificate in very bold type that "The banking commissioner in no wise recommends the securities to be offered for sale by such company." The banking commissioner simply has done all that he can

to prevent worthless, fraudulent or fake securities being sold. This is a great deal and would save unnumbered millions of hard-earned money to the people of this country if adopted in every state. The commissioner may at any time make additional examinations, just as he is permitted to do in the case of banks. If he shall find at any time that the assets do not equal the liabilities, or that the methods are judged to be unsafe, he may apply for a receiver, just as he may do in the case of a bank in a similar condition. The state assumes no more responsibility for the concern which it permits to sell stock than it does for a bank which it permits to receive deposits and to conduct a banking business. There can be very little question when books are properly kept and statements sworn to and made of public record, about the solvency of a bond-selling company, and so far as experience has gone with the new law in Kansas, it has given the greatest satisfaction. Oklahoma has a law similar in many respects, and the Texas Bankers Association is moving to have a law of the same kind passed in that state. We have it from Secretary Hoops that that state has been overrun by sellers of doubtful securities, stock in life insurance companies, bonds based upon swamp lands and mountain tracts and other worthless stuff, since they were thrown out of Kansas and Oklahoma. In another part of this paper will be found a very able article by State Banking Commissioner Gill of Texas, covering the same ground, and making a most able argument in favor of supervision over all banks and over all such companies as are included in the "Blue Sky" law of Kansas. The general article in this issue on bank supervision will be found full of good argument in favor of strict banking laws in all the states and in favor of a separate banking department as against those which are included in the office of the state treasurer, the state auditor, etc.

STRAW BALLOT INDUSTRY

Every presidential year, and in other important elections, certain newspapers largely given over to politics use up a great deal of space and a great deal of the time of their readers with announcements of the results of straw ballots. These ballots never fail to support the candidate who is being supported by the paper itself. Dishonesty is not charged in this matter, for it might appear to be reasonable that the readers of a certain paper might be supporters of the policies of that paper; in fact, this is taken for granted. The more boisterous an editor might be in supporting Col. Roosevelt, the more likely the boisterous Roosevelt voters would be to subscribe to his publication. Thus it would come about that any straw ballot, however honestly secured, through the columns of that paper would be prejudicial to



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A. V. OSTROM	-	-	Vice-President	W. M. KOON	-
			Cashier	S. H. PLUMMER	-
				H. J. RILEY,	Assistant Cashier

the interests of the other candidates. It will be remembered that in the Merriam-Harrison campaign the Merriam papers deluged their readers with straw ballot proposals, and in no instance was the learned professor elected mayor of Chicago by less than five to one over his chief opponent. Now for the practical end of it. When the actual election came the Merriam votes did not seem to materialize; he was quite decisively beaten at the polls. No straw ballot thus far attempted has shown President Taft in his true strength. Indeed, two papers have announced that Debs, and some other equally unmentionable candidate, had surpassed the worthy president in the voting. It should not be forgotten, however, that of the 1,076 delegates which will compose the 1912 Chicago convention, Taft already has forty elected and instructed for him. These are all that have been elected thus far. It may be that the next forty, and a number of succeeding forties also will be instructed for his renomination. It is quite one thing to conduct a straw ballot in a partisan paper and show strength for a chosen candidate, and quite another to deliver the votes to him on the floor of the convention. This should not be lost sight of by those who are interested in the outcome of the republican national convention to be held in this city in June.

OH, WHAT A DIFFERENCE!

You may have noticed a habit that our living ex-president has of putting things rather strongly, at times, to use no "uglier" word. In his Columbus speech Mr. Roosevelt made statements about Lincoln which the records will not bear out—again to use no "uglier" word. They were very wide of the facts as shown by the record. The colonel was justifying his past attacks upon the courts and his then attack coupled with a bold advocacy of the "recall." He is rather fond of coupling his own with the name of Lincoln, but—again the facts. This is what the colonel said:

Lincoln actually applied in successful fashion the principle of the recall in the Dred Scott case. He denounced the supreme court for that iniquitous decision in language much stronger than I have ever used in criticising any court, and appealed to the people to recall the decision—the word "recall" in this connection was not then known, but the phrase exactly describes what he advocated.

You can not imagine anything farther from

the truth. To put it right up to Mr. Roosevelt, where he ought to "recall" his Columbus address so far as it applies to Lincoln, one only has to read what the great Lincoln really did say. In style, temperament and in loyalty to the courts it may be a revelation to some. Lincoln said:

Judicial decisions have two uses: first, to absolutely determine the case decided, and secondly, to indicate to the public how other similar cases will be decided when they arise. For the latter use they are called "precedents" and "authorities." We believe as much as Judge Douglas (perhaps more) in obedience to and respect for the judicial department of the government. We think its decisions on constitutional questions, when fully settled, should control not only the particular case decided, but the general policy of the country, subject to be disturbed only by amendments to the Constitution, as provided in that instrument itself. More than this would be revolution. But we think the Dred Scott decision is erroneous. We know the court that made it has often overruled its own decisions, and we shall do what we can to have it overrule this. We offer no resistance to it.

There you have the language of a lawyer and a statesman, just as you would expect a Lincoln to utter them. He did not call the court "a jackass" nor advocate a recall, nor did he say one word to justify Colonel Roosevelt's charge that Lincoln "denounced the supreme court" "in language much stronger than I have ever used." Read the two extracts again and get a little more light on the Oyster Bay peculiarities in truth and in English.



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RECORD DEPOSITS IN CHICAGO BANKS

The high record for deposits in the Chicago and other reserve center banks may indicate dull business and lax demand, but it also indicates sound banking and business conditions. The expansion and speculative interests have been eliminated to an unusual degree. The national banks of Chicago have published statements of their condition at the close of business on February 20th. The figures for the fourteen national banks totaled \$486,021,426 in the matter of deposits, against \$441,124,807 on December 5th, the last previous call, and \$403,187,141 on January 11th, one year ago.

In the matter of loans there was an increase of \$23,762,145, compared with December 5th. Cash resources reached a total of \$201,836,909, compared with \$180,068,377 two months ago, and \$162,866,282 one year ago.

Reports of the largest state banks indicate a gain in the matter of deposits for those institutions.

However, the percentage of increase by the state banks will not equal that of the nationals. The latter have received a large volume of funds from the country banks. The state institutions are more local in their character. Besides several of the latter have had more deposits on previous occasions than at this time. The Illinois Trust, which published yesterday \$94,477,482 in deposits, showed on September 2, 1911, \$98,204,029.

The First Trust and Savings showed \$53,127,480 on this call, whereas on June 8, 1911, its deposits were \$55,911,570. The State Bank of Chicago shows but a trifle more in deposits than it had on September 2, 1911. The Merchants Loan and Trust makes a record at \$66,343,829 deposits. The Continental and Commercial Trust and Savings Bank at \$22,134,993 is about \$744,000 below its record last December. The Northern Trust shows on this call \$31,816,412, being its record.

Individual exhibits by the national banks make in the most instances records so far as published statements are concerned, but both the Continental and Commercial and the First National have been several million dollars higher than their present figures. But compared with the call of December 5, 1911, Continental National deposits are 10 per cent higher and First National about 9¾ per cent.

Both make the best showing in their history in response to calls of the comptroller. The National City Bank has a marked increase in deposits. The Corn Exchange National is at the top. The Live Stock Exchange is easily at its best figures, and among the smaller banks the National Produce and the Calumet make good comparisons.

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CHAPTER NEWS

CUBA CHAPTER A. I. B.

By W. H. MORALES, VICE-PRESIDENT

Dr. Orestes Ferrara, president of the House of Representatives, gave an interesting talk in Spanish on the subject of "The Bank of France and Its Note Issues," before the American Institute of Banking on January 7th in Havana. Mr. Olavarria, cashier of the National Bank of Cuba, presented the speaker, stating that he needed no introduction to a Cuban audience.

In his opening remarks, Dr. Ferrara explained that while in the National University, where he has lectured almost daily for six years, his task is greatly facilitated by addressing men of a uniform degree of training, he doubted not that his remarks would merit the attention of the Chapter, because of their bearing on the vital question of Cuban currency, which after ten years of national existence, continues in a crude and transitory state, and must some day be resolved on a definite national basis.

"The Bank of France," said Dr. Ferrara, "is perhaps the most complete and famous banking organization of the age in which we live. It is the only institution of a public character which has survived through the vicissitudes of the past century in France. Launched into existence in the year 1800, when Napoleon Bonaparte was first consul of the nation, it commenced its career at a time of civil chaos, after France had emerged from the Revolution of 1793 as an impoverished nation instead of the great financial power that she has since become.

"With her treasury exhausted, her armies unpaid, an enormous public debt to meet and old institutions fallen, it was impossible for the nation to conduct its affairs through the old and shattered banking organization, of which nothing remained but millions of depreciated paper. The field of finance was then lacking in expert economists, such as are common to our period, but a master mind was destined to relieve the situation.

"A number of prominent French bankers, at this juncture, united and constituted the Bank of France, with a capital of 30,000,000 francs,

under a charter which expired in 1803, conferring the following powers: (1) The making of discounts on three solvent signatures; (2) The making of collections for the state; (3) The receipt of demand deposits; (4) The issuance of notes payable to bearer on demand, or to order after sight, in such degree as to insure a prompt redemption; and (5) To receive time deposits in a savings department, payable at fixed periods. Napoleon believed that the power to issue paper money should be vested in a single institution, under the patronage of the government, and with his accustomed decision and foresight, he selected the Bank of France for the purpose.

"Several other banks at that time exercised the privilege of issue, to a limited extent, in order to suppress which he dictated, in 1803, regardless of any prior vested rights, a decree,

giving to the Bank of France the exclusive privilege of issuing bank notes in Paris. In arbitrary terms he provided in that law that the Commercial Discount Bank, the Comptoir National, La Factorerie, and others associations in Paris should cease to issue their notes, and commanded them to retire their outstanding paper money forthwith. He at the same time extended the term of the Bank of France to the year 1818, with a view to raising its credit.

"The dictates of the sovereign, however, were not enough to promote confidence in the institution, of which Napoleon was himself a shareholder. During the financial crisis of 1805, speaking to M. Perlegout, president of the bank, he declared that a brilliant national exploit was necessary to make the Bank of France a permanent power in the land. His active mind planned a formidable manœuvre, which he personally conducted, the sequel of which was, in his own language, the laying of the bank's cornerstone upon the battlefield of Austerlitz.

"We thus have the unique example of a great national bank establishing its credit, not on the ability of its administration, the economic wealth of the country or the expansive tendency of modern banking systems, but on the successful issue of a great battle which was fought for the express purpose of inspiring confidence in national institutions.

"The circulation of paper money by the Bank of France has been based from its very outset, on the principle of a free issue, within certain prescribed limits, regulated by the amount of negotiable paper held by the bank, as opposed to that of an issue limited by lawful cash reserves, which many other nations have adopted.

"The monopoly of issuing notes, given by the law of 1803, formed the alliance between the institution and the state, and Napoleon demanded its aid to finance the nation in furtherance of his plans. In 1806 the capital of the bank was increased to 90,000,000 francs. Its charter was again extended twenty-five years, viz., until 1843, as a means of protecting the shareholders by strengthening their stock. To further subject the institution to the state, the enactment provided that the governor and two deputy governors should be appointed by the emperor, to whom they should swear fealty, and that the statutes of the bank must bear his approval.

"M. Perlegout, president of the bank, was opposed to the policy of expansion and state

STATEMENT OF CONDITION OF THE National Produce Bank

OF CHICAGO

At the Close of Business, Feb. 20, 1912

RESOURCES

Loans and Discounts.....	\$1,148,332.16
United States Bonds.....	253,750.00
Other Bonds and Securities.....	426,980.37
Furniture and Fixtures.....	9,000.00
Due from U. S. Treasurer.....	12,500.00
Cash and Due from Banks.....	706,387.70
	\$2,556,950.23

LIABILITIES

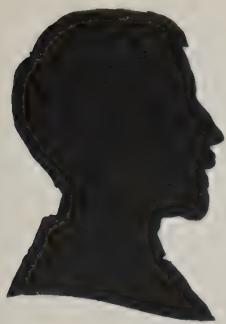
Capital Stock.....	\$ 250,000.00
Surplus.....	50,000.00
Undivided Profits.....	47,958.16
Circulation.....	246,300.00
Reserve for Taxes.....	3,900.00
Deposits.....	1,958,792.07
	\$2,556,950.23

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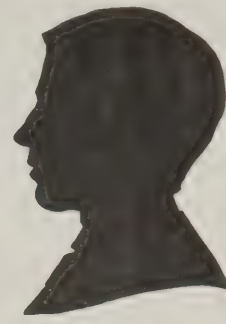
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control of the institution. His objections were overruled, however, with the remark that the bank must become great, even if against the wishes of its president.

When Napoleon abdicated in 1814, he abandoned his hold on the institution, and it was sought to re-establish it as a private bank on the basis of 1803, but it was too late, as the government recognized the need of it for a state institution. A temporary suspension of its operations ensued, however, and when it resumed later, several of its branches were discontinued, giving place to departmental banks, which continued to flourish in the isolated localities for several years.

In 1840 the charter was again extended to 1867.

"During the financial panic of 1847 the bank was obliged to suspend specie payments, and again from 1870 to 1876.

"In 1846 the departmental banks were compelled by law to merge in the Bank of France, owing to the discredit resulting from their notes also having been made legal tender during the suspension period. This epoch was known as the general revolution, when the leading nations of Europe were in a state of civil strife.

"As a result of the fusion of the departmental banks with the Bank of France and the corresponding increase of its capital, the power and prestige of the institution became greater than ever.

"Before its maturity in 1867, the charter of the bank was again extended to 1897. Its history during the Franco-Prussian War, as well as the Second Monarchy, was one of pre-eminent service to the nation. During the Bloody Week of 1871, when the threat of burning all Paris was partly put into execution, the bank was saved through the financial services which it had rendered to the dominant party. At the close of the Franco-Prussian War it played the leading part in paying off the great war indemnity of 1,500,000,000 francs levied by Germany as a condition of evacuating French territory.

The present charter of the bank expires in 1920. Its capital of 182,500,000 francs has not been increased since 1857 and is distributed among 153 branches. With its maximum note issue of 3,800,000 francs, it is apparent that the circulating medium of the country has not augmented in keeping with the enormous development of the country's wealth, but the amount has been found adequate for practical needs, by reason of the extensive use of credit in the form of bank checks which largely prevails. The notes of the bank are a legal tender in payment of debts, and are redeemable by the bank in either gold or silver coin, so that the country is on a bimetallic basis.

"In addition to its character as a bank of issue, the institution is also the principal clearing house of the country. This explains why the operations of the official clearing house are so small as compared with those of other countries.

"The question will some day arise in Cuba as to which of the recognized systems should be adopted for its people, that is, whether the free

system, the limited system, or one that is mixed, wherein the state will have a certain amount of control without prejudice to the institution. The free system, I believe, is not considered favorably by the United States, nor has the purely state system been a success in Latin-American republics. Modern nations are not likely to desire arbitrary state institutions, such as obtain in Russia, Sweden, and partly in Germany.

"While the question is not a political one at present, it will doubtless be an issue some day, and not only the bankers and students of economics will do well to take cognizance of the subject, but the people themselves, by reason of their interests being concerned."

Dr. Ferrara's talk was applauded by three cheers from Cuba Chapter and words of appreciation from its officers. Despite the small amount of time at his disposal he has promised to conclude the subject at a future lecture.

CHICAGO CHAPTER, A. I. B.

BY R. M. COLEMAN

The next general meeting of the Chicago chapter will be held Tuesday evening, March 12th. One of the principal speakers for the occasion is J. Laurence Laughlin, chairman of the executive committee, National Citizens League, and a man with a world of knowledge of banking and economics. Mr. Laughlin will address the chapter on "Banking Reform and National Reserve Association."

Raymond B. Cox, president of the associated chapters, stopped off on his way to New York for a day's visit, and was shown the town by a delegation who met him at the train.

Mr. Ashly, chairman of the debate committee, has unfolded plans for a class in public speaking. Much enthusiasm has been aroused

and a great number have affiliated themselves with the debate society, to be able to take advantage of this opportunity.

Banking and Finance Class Examination, as Reported by President Smales

The banking and finance class which terminated Tuesday, February 20, 1912, with an examination on the subject was one of the attractive educational features of the year. Over 153 members of this class, or over 50 per cent who enrolled at the beginning of the year, attended 80 per cent of the meetings. Out of this number 56 took the examination, or about 33 per cent of the active members of the class. Where were the other 67 per cent to let such a valued opportunity slip by them? Some may have felt a little timid about passing the examination, but I am of the firm opinion that at least 80 per cent of the 97 active members that failed to make the examination would qualify, if they made the effort.

With this firm opinion I have in mind to hold another examination in the latter part of April, say, at the completion of the law course in negotiable instruments, providing a sufficient number of those members of the class who attended say, 75 per cent of the meetings, will agree to take such examination. This examination means a 50 per cent credit toward qualifying for the institute certificate.

Following is a list of the members who passed the examination, also those who have passed in addition the law examination which entitles them to their certificate:

C. A. Elsner, J. W. Hayes, and Fred G. Letchford, Central Trust Company; Frank A. Lindsten, Chicago Clearing House Association; Maurice A. Milenbach and L. E. Wilson, Chicago Savings Bank and Trust Company; Bernard E. Ehlers, Fred C. Johnson, J. W. Olson, Clarence A. Robb, Theo. G. Schafrank, Otto W. Schreiber, and H. L. Sievertsen, Continental and Commercial National; C. S. Hall and J. W. Youle, Corn Exchange National; H. A. Anderson, Bruce Baird, H. S. Beckwith, Harry Carlson, W. G. Coggeshall, Charles Johnson, J. W. Johnson, George C. Loveless, Frank L. LePelley, E. J. Mulvihill, Gustave H. Peterson, C. E. Schiffner, J. O. Sorg, and E. A. Stanton, First National; Roy R. Marquardt, T. S. McCarty, and Daniel W. Westervelt, First Trust and Savings Bank; Edwin C. Baur, F. S. Kingore, A. W. Lander, and Herbert C. Roer, Fort Dearborn National; Wm. R. Dowell and H. K. Roney, Illinois Trust and Savings Bank; M. D. Goldberg, Live Stock Exchange National; Fred W. Roth, National Bank of the Republic; John W. Gorbey, Peoples Trust and Savings Bank; John G. S. Linner, State Bank of Chicago; and W. H. Damon and Gustav Hake, Union Trust Company.

DEATH OF EDWARD J. PARKER

News has been wired of the death of Edward J. Parker, president of the State Savings, Loan and Trust Company, Quincy, Ill., on Friday morning, March 1st, after a brief illness of typhoid-pneumonia.

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CHAS. H. MOORE, Vice-President
JAS. T. BRADLEY, Cashier

Surplus, \$500,000

CHAS. M. VINING, Assistant Cashier
W. H. GLASKIN, Assistant Cashier
JAS. F. MEADE, Assistant Cashier

Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

In the interval between December 5, 1911 and February 20, 1912 an increase of over \$8,000,000 was shown by the Kansas City banks. The last national bank call found the national banks in splendid condition and the total resources of the twenty-nine state and national banks of this city amount to about \$153,000,000. With an increase of over 7 and a half millions in deposits in national banks in the past eleven weeks, there has been a gain of 5 millions in cash items and an increase of nearly 2 millions in loans. Kansas City appears to have a firm grip upon sixth place in the clearings list of the United States after a season of fluctuation. While its gains have not been heavy they have been steady ranging from 40 millions to 45 millions a week. Other cities in the Central West have made favorable showings and Omaha has enjoyed heavier gains than Kansas City. The last clearings statement shows Omaha with 29.1 per cent gain over the same period last year. Wichita, Fort Worth and St. Joseph, Mo. are also in the increase column.

Omaha Club Holds Banquet

The Washington Day banquet at the Omaha club was one of the biggest events of the present season among Omaha business men and bankers. The guest of honor was John Barrett, director general of the Pan-American Union and formerly minister to Panama, who advised the commercial interests of the Central West to get ready for the important trade which he predicts will come with the opening of the Panama canal. "It will be almost criminal lack of foresight," declared Mr. Barrett, if our commercial interests fail, after the government has expended \$400,000,000 on the canal to make an organized and persistent effort to take advantage of all the new conditions of demand and supply. And yet the chambers of commerce, boards of trade and other commercial organizations and the large manufacturing, exporting and importing interests of Chicago and other western cities are making very little effort, compared with what they ought to do, in studying the countries, the peoples, the markets, the products and commodities of trade."

Making Preparations for Convention

Plans are being completed by the Joplin Clearing House Association for the convention of the State Bankers Association of Missouri which meets in that city on May 21st and 22nd. Joplin entertained this association in 1908 and the success of that convention is still well remembered among the financiers who attended it. The chief problem presented to the Joplin bankers at this time is how to find accommodations for the hundreds of visitors who are

expected. At a meeting of the Clearing House Association recently plans were discussed for the various features of the convention. J. A. Cragin and J. E. Garm, members of the executive committee of the state association are Joplin bankers and have charge of the arrangements. The following committees have been appointed: Reception—J. A. Cragin, chairman; and all of the directors of the Joplin banks and trust companies. Entertainment—James E. Garm, chairman; T. B. Jenkins, Julius Becker, J. O. Dodson and F. T. Snapp. Speakers—T. W. Cunningham, chairman; W. M. House, John F. Wise, H. M. Ramsay, Sr., and J. H. Spencer. Hotel—Joel T. Livingston, chairman; John Carroll, H. A. Richardson, J. B. Johnson, Henry D. Dufflemeyer, W. B. Gallentine, H. M. Ramsay, Jr., and Fred D. Wagner. Several additional committees will be appointed within a few weeks.

Oklahoma Group Meetings

Groups 3, 4 and 2 of the Oklahoma Bankers Association met last week at Shawnee, Okmulgee and Enid respectively. Group 4 which met at Okmulgee is the largest of the five groups of the state and the meeting was attended by 150 bankers representing 176 banks in seventeen counties in the central eastern part of Oklahoma. The feature of this meeting was an address on "What Kaffir Corn will do in Oklahoma from the Standpoint of the Banker," by J. B. Adams of the Butler County Bank of Eldorado, Kan., and an address on the "Aldrich Plan in Relation to Country Banks," by Judge L. F. Parker of the First National Bank of Vinita. Bartlesville was chosen as the convention city in 1913. The following officers were elected: A. L. Churchill, Vinita, chairman; W. S. Vernon, Coweta, vice-chairman; and H. E. Kennedy, Okmulgee, secretary. "Safe Farming and Banking" was the title of an address delivered by John T. Field before Group 3 at Shawnee, February 21st. This meeting was largely attended and the following officers were elected: A. J. Fluke, vice-president of the National Bank of Commerce, Shawnee, chairman; J. C. Lillard, president of the First State, Seminole, vice-chairman; R. W. Yakish, cashier of the Bristow National, secretary. Holdenville was named for the next meeting. Nearly 200 bankers took part in the fifth annual meeting of Group 2 of the Oklahoma Bankers Association at Enid February 23rd.

"Bankers' Colony" will be Increased

The "bankers' colony" at the Federal Penitentiary at Leavenworth will be increased soon by the arrival of four recruits. They are: A. H. Stout and A. J. Titus of Cherokee, Okla., and H. M. Dearing and his son, Palmer

M. Dearing of Albion, Mich. Stout and Titus were found guilty last week in the United States District Court at Guthrie, Okla., on one count of six in an indictment charging them with misappropriation of funds from the First National Bank of Cherokee. Stout was president of the bank and Titus was a director. The Dearings confessed to forgeries amounting to \$165,000 that resulted in the closing of the Albion National Bank in January.

Texas Group Meetings

Two notable group meetings of Texas bankers were held last week following the general series of group meetings which have been held in various Texas districts since January 1st. The fourth district meeting was held at Waco February 19th with Chairman J. C. Reynolds of Moody presiding. The address of welcome was delivered by Abe Gross of Waco and the response was by M. A. Traylor of the Stockyards National, St. Louis. J. E. Ferguson of Temple discussed "The Attitude of the State and National Departments Toward Overdrafts." W. R. Boyd, Jr., of Dallas, secretary of the Texas section of the National Citizens League for the Promotion of Sound Banking, spoke of that organization and its principles. It had not and would not, he said, advocate or oppose either the Aldrich bill or any other banking measure. What was needed, Mr. Boyd said, was a law that would insure commercial safety, a measure not dominated or controlled by politicians. W. W. Woodson, of Mart, talked on "The Relationship That Should Exist Between Country Banks and their City Correspondents." J. Howard Ardrey, cashier of the City National, Dallas, spoke on "Bank Consolidations: Are They Good For Both the Banks and the Public?" The speaker contended that consolidations are advantageous and that they do not restrict resources of the legitimate borrower. In referring to Congressman R. L. Henry's contention, that there was a money trust, and the latter's resolution that the same be investigated, Mr. Ardrey said that banks were handling business along proper lines. Bankers in New York have aided during the money panic, he said, but Washington was controlled by political agencies. Waco was selected as the permanent meeting place of the Fourth District Bankers Association in the future, and the following officers were elected: Chairman, A. J. Dossett, Cameron; secretary, G. S. McGehee, Waco.

On February 22nd the members of the Seventh District Bankers Association of Texas met at Fort Worth. In the absence of the chairman, John P. H. Jones of Childress, W. G. Newby of the American National, Fort Worth, called the association to order. The

R. T. FORBES - President
J. E. COMBS - Cashier
R. S. BRITTAIN, Asst. Cashier
R. N. RIDGE - Auditor

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first address was that on "Cooperation Between the Bankers and the Farmers of Texas Along the Lines of Agricultural and Vocational Education," by Joe Hirsch, vice-president of Corpus Christi National, Corpus Christi, Texas. A paper by Commissioner of Insurance and Banking, B. L. Gill of Austin on overdrafts was read by Oscar Wells of the Union National of Houston. J. M. Logan of Fort Worth, national bank examiner for Texas, discussed this paper and approved the advice contained therein. The following officers were elected: S. B. Norwood, president of the First National of Cleburne, chairman, and P. R. Waldrop of Crowell, secretary. The invitation extended by a committee of business men of Cleburne to hold the next convention in that city was accepted. Among the bankers from outside of the state who made the rounds of Texas group meetings beginning at Dallas February 13th and including Houston, San Antonio, Austin, Waco, Brownwood and Fort Worth were: Carl D. Coonly, New York; G. H. Demseraub, Chicago; M. H. Grimme, Chicago; H. O. Shed, Guthrie; J. M. Helling, Kansas City; W. H. Hurley, Chicago; H. I. L. Burroughs, Kansas City; B. L. Jones and W. H. Jones, Tulsa; A. D. Campbell, New York; O. L. Harvey, New York; James R. Leonwell, St. Louis; Chas. M. Munger, Chicago; H. E. Pollard, New York; J. P. Roach, New York; Elworth C. Sheratt, St. Louis; L. S. Smith, Kansas City; G. H. Salla, Boston; T. C. Tupper, St. Louis; V. K. Tuggle, Kansas City; C. W. Allendoefer, and J. L. Johnston, Kansas City; F. A. Russell and E. E. Bleckley of Wichita.

Central West Notes of Interest

O. L. Cully, vice-president of the Farmers State of Larned, Kan., and Mrs. H. L. Cully, a heavy stockholder in that institution, have sold the controlling interest in the bank to W. L. Earl, cashier of the First State of Alton, Kan. Mr. Cully will move to Colorado where he has other banking interests.

State Bank Commissioner John E. Swanger of Missouri is expected to announce his candidacy for the Republican nomination for governor next week. State Treasurer James Cowgill of Missouri is expected to be a candidate for the same office on the Democratic ticket.

William Woodward, president of the Hanover National of New York, was a visitor in Kansas City's financial district last week. Mr. Woodward is 32 years old and is at the head of a bank which has deposits of \$110,000,000. He is traveling in the west informing himself on the financial and crop outlook for 1912.

The jury in the case of John B. Sneed, the millionaire cattleman and banker of Fort Worth, Tex., charged with the murder of Captain A. G. Boyce, was unable to agree. Captain Boyce, the victim, was the father of A. G. Boyce, Jr., who eloped with Mrs. Sneed last November and the killing grew out of this scandal. All parties connected with the case are wealthy and have extensive banking interests in Texas.

Jerome Harrington, president of the First National Bank of Watonga, Okla., and George H. Hamilton, president of the First National Bank of Watska, Ill. have bought heavy interests in the State Savings of Wichita, Kan.

The new stockholders will materially increase the capital of the bank.

E. F. Swinney, president of the First National Bank of Kansas City, and Mrs. Swinney have returned to Kansas City after a three weeks' tour of the south. They were accompanied by W. S. Kinnear, president of the Kansas City Terminal Railway Company, and Mrs. Kinnear.

Raymond B. Cox of New York, president of the American Institute of Banking, has been invited to address the Texas association meeting at San Antonio in May. It is believed that he will accept.

Among the visitors in Kansas City's financial district last week were: E. L. Langford, bank commissioner of Oklahoma; M. R. Sturtevant, vice-president of the Central National, St. Louis; D. A. DeYoung, cashier of the First National, Prairie View, Kan.; T. M. Walker, president of the Atchison Savings, Atchison, Kan.; R. H. Hazlett, president of the Eldorado National, Eldorado, Kan.; W. H. Matthews, cashier of the Farmers and Merchants Bank, Kiel, Okla.; John R. Lindburg, president of the First National, Pittsburg, Kan.; M. H. Mallott, president of the Citizens Bank of Abilene, Kan.; J. S. Corley, president of the State Savings, Wichita, Kan.; J. M. Dosbaugh, president of the Dosbaugh National, Cedarvale, Kan.; George T. Inge, president of the First National, Garden City, Kan.; F. S. Hall, president of the Baxter National, Baxter Springs, Kan.; W. H. Dill, president of the Citizens State, Okemah, Okla.; J. Lovering Smith, secretary of the Joplin Trust Company, Joplin, Mo.; A. N. Ruble, cashier of the First National, Pawhuska, Okla.; E. C. Sims, cashier of the First State, Hartshorn,

Okla.; M. H. Potter, president of the State Bank of Turon, Kan.; J. S. Morse, president of the Phillips County Bank, Phillipsburg, Kan.; U. G. Soul, assistant cashier of the Merchants American National, St. Louis; A. N. Rubie, cashier of the First National, Pawhuska, Okla.; John F. Brown, cashier of the Bank of Saskwa, Saskwa, Okla.

William T. Kemper, president of the Commerce Trust Company of Kansas City, one of the most prominent Democratic leaders of Missouri, has been urged to accept the nomination for mayor of Kansas City. Seldom has a man resisted such insistent importuning as has come to Mr. Kemper from the members of his party in Kansas City, but he has firmly declined. He says he cannot afford to give up banking to become an office holding politician. Mr. Kemper is very wealthy and is one of the heaviest stockholders in several Kansas City banks and trust companies.

The Commercial National and the First State Bank and Trust Company of Brady, Tex. have consolidated by the Commercial increasing its capital stock and absorbing the smaller institution.

The Morrisville State Bank of Morrisville, Mo., has introduced a decided innovation for this part of the country. It is paying interest on checking accounts. This is a new bank which opened for business December 20th last with a list of very substantial stockholders.

W. L. Norton, former president of the Columbia Bank and Trust Company of Oklahoma City, and the American National Bank of Bartlesville, Okla., was found guilty last week by a federal grand jury on three indictments on charges of making false entries in the bank books, illegal transferring of money from the banks to other companies and pretended claims. Norton broke down completely when he heard the verdict. Eight other indictments were quashed. Norton's financial career was one of the most spectacular of Oklahoma and the failure of his banks was that state's greatest financial disaster. The Columbia Bank and Trust Company was the largest in the state and its failure carried down two other banks which is said to have cost the state bank guaranty fund a million dollars. Norton has not been sentenced.

In some manner not yet known the rumor spread last week that a consolidation of the Omaha National Bank and the Corn Exchange National had been consummated. The report was printed far and wide and the next day was officially denied in a statement signed by C. W. Erwin, cashier of the Corn Exchange National.

In all probability the Citizens League for Kansas will meet in state convention at Wichita early in May. Robert W. Bonyng, member of the national monetary commission, will pay a visit to Wichita March 8th, where he will address a large meeting of business men on matters connected with monetary legislation.

The legal tangle growing out of the failure of the American Union Trust Company of Kansas City is becoming more complicated. Various suits have been filed against officers and stockholders in the institution by the Commerce Trust Company which has taken over the assets of the failed institution for settlement.

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

At the last call the Minneapolis banks have \$103,336,668 deposits, or \$13,573,337 more than January 7, 1911. The record for December 5, 1911, was \$107,291,402. The December call is always the high one in Minneapolis, and the record is said to be a good one for January with \$3,954,754 shy. The savings banks deposits are \$20,573,123, a gain of \$558,717, since December 5th and an increase of \$1,153,813 since January 7, 1911.

The loans and discounts are \$63,214,262 as compared with \$62,242,885 in December. A year ago they were \$54,912,258.

Provident Loan Society

The Provident Loan society of St. Paul will have offices in the Endicott building. The office opened Thursday. The bankers on the board are Louis Betz, W. B. Geery, F. A. Nienhauser.

Bankers of Washington

L. A. Huntoon, ex-president of the Minnesota Bankers association, was one of the five northwestern bankers to confer with the house committee on agriculture in Washington and J. W. Wheeler, St. Paul. Others are G. C. Power, St. Paul; A. G. Wedge, Jr., Detroit; W. E. Lee, Long Prairie; Joseph Chapman, Jr.; Secretary C. R. Frost, Minneapolis.

Raymond Cox Addresses Twin City Chapters

Raymond C. Cox, president of the American Institute of Banking, addressed the St. Paul clerks Saturday night and the Minneapolis clerks Monday night. He told the St. Paul men that: "Two or three banks in New York City can throw the nation into a panic at any time under the present currency system. The Aldrich plan, while it has its faults, is the best currency system advanced so far. Under the present system no relief can be obtained to check an approaching panic."

To the Minneapolis clerks he said in part: "The big banker of the future will be the product of the American Institute of Banking. We have seven chapters and 12,000 members

and are growing all the time. We have passed the initial stage and are now inducing our members to take up higher work than that of the ordinary bank clerk, are promoting knowledge of financial affairs in general and of the big financial and economic questions."

St. Paul Banks Have Increased Deposits

St. Paul's six national banks showed an increase of \$11,000,000 in deposits at the last call as compared with the previous one. The total deposits of the twelve banks, including savings, was given at \$54,149,437, with almost complete returns. Savings banks showed the notable gains, one increasing half a million dollars.

Julius H. Block

Julius H. Block, former state treasurer is president of a new \$100,000 insurance company, the United States and Dominion, with headquarters at Duluth.

North Dakota Bank Offers \$50 Prize

A bank at Williston, N. D., has offered a prize of \$50 for the best three hogs fattened on corn grown in Williams or McKenzie counties. The commercial club is offering prizes also. Individuals will increase the total. Alfalfa land near town is already bringing \$75 to \$100 an acre, but farther out it is as low as \$35 to \$50. Alfalfa prizes will be offered.

Banking Miscellany

The German-American Bank has been named as depository for Minneapolis city funds. More than one million dollars in bonds has been recommended for issue by the city council.

Minnesota Bank Closed

Because he believed it was not being conducted properly the state superintendent of banks, Kelsey S. Chase, has closed the Chippewa County State Bank at White Earth, Minn. B. L. Fairbanks is president, W. F. Bickel is vice-president and Charles Mee is cashier. The vice-president was charged with

receiving a deposit from an Indian woman and making the check out in her name with himself as trustee.

E. J. Weiser

E. J. Weiser, president of the First National at Fargo, says that the work of the North Dakota Better Farming Association is going along well and that the experimental farms on which the practical demonstration is to become will be located soon.

Money to be Distributed Among Depositories

Something like \$1,000,000 to \$1,500,000 less money is to be distributed this year among the state depositories by the state treasurer than last year. The money will be forwarded to the banks as soon as possible after March 1st. Several banks have been added to the list since last year which will decrease the amount for each. Last year the state had an extra amount of money on hand, about \$800,000, after it had won some suits compelling the railroads to pay back taxes. The legislature authorized payment of \$1,000,000 capital certificates and several appropriations, which reduced the cash on hand.

New Association Formed

The North Dakota and Western Minnesota Bank Clerks association was organized at Fargo last week. The association will be allied with the bankers' organization.

Banking Notes

Lists of St. Paul banks and a diagram of the American National floor space were found on a man arrested in a jewelry store for passing a worthless check. The police think the diagram was to give the man a chance at the money of the institution. The First and Second National were on the list.

James T. Gregory, cashier of the Ashland National bank, Wis., has resigned to devote his time to timber interests in the west. Carl Rudinquist was promoted from assistant cashier.

WILLIAM J. BURNS, President. Formerly U. S. Secret Service. Late San Francisco, Cal., Graft Prosecution

RAYMOND J. BURNS, Secretary and Treasurer

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EQUITABLE TRUST CO.'S ABSORPTION

President Alvin W. Krech, of the Equitable Trust Company, New York City, has announced that on and after Monday, February 26th, the business of the Trust Company of America will be merged into that of the Equitable Trust Company. The main office of the latter company will be at 37 Wall Street.

"GOOD THING" OVER IN INDIANA

By OTTO J. KRAMPIKOWSKY.

The following is a copy of a letter recently received from F. L. Sattley of the Sattley Stacker Company, Indianapolis, Ind., addressed to the largest bank in Chicago. All persons interested are requested to kindly send their opinion of the machine direct to Mr. Sattley at the above address, as there is no question but what the machine, if possible of being built, would be one of the greatest inventions of the day:

Indianapolis, Ind., February 21, 1912.
Continental & Commercial National Bank,
Chicago, Illinois.

Gentlemen:

I have under construction a machine that separates and counts the different denominations of paper money, and sets them aside in bundles of one hundred. I have made sufficient progress with the machine to know that it will do all that is claimed for it.

To accomplish this the operator places a mass of bills in the hopper of the machine. Then in its further operation, each denomination is separated from the mass and placed in the receptacle designed to receive it, and delivered therefrom, one hundred in a bundle; this work being accomplished as fast as it can be done by from three to five men.

Where currency is already sorted and it is necessary to count it for a bank examiner, the board of directors, or for any other reason, a lot of bills of one denomination can be put into the machine, and it will take care of these bills without further attention from the operator, until the supply is exhausted. The machine will also separate the mutilated and undesirable bills from the good ones and deposit them to themselves.

I have always thought that there would be a demand for a machine of this kind, but would like some further information. I do not know how to get it except to go to the large financial institutions, either personally or by letter. Therefore, I wish you would please answer hereon the questions asked, and return this letter to me, or give me the information in any other way that you feel inclined to do.

Assuming that the machine does the work of five operators and is comparatively simple, durable, and as accurate as an adding machine, and can be had at a reasonable rental per year, do you think your institution would be interested and have use for such a machine? and if so, about how many?

How many of the twenty odd thousand banks in the United States would you think

could use a machine? Assuming that there are as many other large financial institutions, such as department stores, large union stations, large amusement companies, etc., how many machines do you think they could use?

I am aware of the fact that this will only be your personal opinion and given without obligation, but I would like very much to have it. I enclose stamped envelope for reply, for which I will be under obligations to you.

F. L. SATTLEY,
The Sattley Stacker Co.

W. T. Fenton

W. T. Fenton of the National Bank of the Republic left Thursday for California, to be absent about a month.

COMMISSIONER DOLLEY TO "BLUE SKY" SKEPTICS

(Continued from page 1)

ment against the principle of this law, for the reason that where one concern is admitted 99 concerns have been refused admission.

The bank commissioner or commission under the Kansas law has the right at any time to cancel such permit and thereby at once terminate the operation of a concern that was found to be unworthy. The objections raised by the gentlemen mentioned are not well founded. In fact, they have no foundation. The same objections could be raised against any and all restrictive laws from murder down.

This law will reduce stock and investment swindles at least 95 per cent., and when all states have adopted it and work together with the national government on interstate investment selling business, it will reduce it even further.

Our experience in Kansas is that with the severe fines and penal sentences provided, the crooks and confidence men refuse to go up against the law. They packed their grips, some ten or fifteen hundred of them, the day after the passage of the law, and we have had very little trouble with this class of undesirables since. I regret to state that the results of their migrating from Kansas probably has been unfortunate for our sister states. I sincerely trust that Illinois will issue the mandate: "Move on."

Practically every state in the Union whose legislature is in session this winter has introduced the bill, and I am advised that several states undoubtedly will pass it.

I will be pleased to advise with President Harris, you, or any who may be interested in your splendid state at any time concerning this law.

Sincerely yours,

J. N. DOLLEY,
Bank Commissioner.

Topeka, Kan., February 26, 1912.

The Day and Night State Bank of Kansas City, Kan., which closed its doors last January, has reopened in the name of the Minnesota Avenue State Bank. It is said payments in full will be made to the depositors of the old bank.

TO BANKS and TRUST COMPANIES:

ARE YOU PREPARED TO ACCOMMODATE CUSTOMERS WITH "A. B. A." CHEQUES?

CONFIDENT that the Travelers' Cheques of the American Bankers Association have no superior and in some respects no equal, this Company, as Trustee for the system, is commencing an extensive campaign of advertising which will serve further to popularize these cheques and create a greater demand for them throughout the whole country.

The cheques will be advertised not only in many of the leading Monthly Magazines, but also in the Saturday Evening Post, Sunday Newspaper Magazines, Daily Papers in large cities of the United States, and other publications.

Be prepared to obtain your share of the local business which will thus be created, and to accommodate customers when they ask for "A. B. A." Cheques. Write at once for full information.

**BANKERS TRUST
COMPANY, Trustee
Wall Street, New York.**

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

**Assets Over
\$16,000,000**

The Seattle National Bank

OF SEATTLE, WASHINGTON

SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

R. V. ANKENY, Cashier
J. FURTH, Chairman Board of Directors

Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

San Francisco

Superintendent of Banks, W. R. Williams, has given notice to the California banking institutions that they will be held strictly to account for non-compliance with the statutes regulating loans on mortgages and the handling of deposits of public funds. Mr. Williams has also ruled that the savings banks under his jurisdiction cannot loan on bonds of oil companies. Hitherto the bonds of the big oil companies have been treated by the banks as industrials. The superintendent's view is that they are mining securities, and as such, the law prohibits loans upon them.

Concerning Williams and his hew-to-the-line let-the-chips-fall-where-they-may interpretation of the bank act, an amusing story is going the rounds. Andrea Sbarboro is the president of the Italian-American Bank and also secretary and one of the principal owners of the Italian-Swiss Colony, a \$2,000,000 wine-producing company. Discovering that Sbarboro's wine corporation was borrowing from Sbarboro's bank, the bank superintendent, so the story goes, wrote a letter summarily removing the venerable president from his official position. Sbarboro declined to be removed, however, and is still on the job.

W. B. Nash, former cashier of the defunct Market Street Bank, passed away early Saturday morning, February 24th, heart failure being given as the immediate cause. Nash was recently convicted on a charge of swearing to a false statement as to the condition of the bank and had been admitted to bail pending an appeal. His condition was so serious that it was deemed dangerous to remove him from the jail hospital, where he was attended by his own physician.

Announcement was made recently of the completion of plans under which the Western Metropolis National will take over the business of the City and County Bank. The official announcement makes the following statement: "The officers and directors of the Western Metropolis National Bank will remain as before, and the consolidation will bring the amount of the deposits to a point beyond \$5,000,000, an increase of about \$1,500,000. The officers and directors of the Western Metropolis National Bank are as follows: President, Alfred L. Meyerstein; vice-president, J. H. Spring, and C. A. Hawkins; cashier, R. B. Murdoch; asst. cashiers, George Long and C. C. Campbell; directors, George E. Boardman, W. J. Hotchkiss, C. A. Hawkins, John M. Keith, Gavin McNab, Alfred L. Meyerstein, Robert Oxnard, John H. Spring, Harry N. Stetson, G. H. Umbsen and A. A. Watkins.

Earl Standard, the fugitive bookkeeper of the American National Bank of Pomona, took \$149,000 from that institution in two years according to W. C. Mushel, who has finished expediting the books. This sum, the greatest taken from any bank in California in recent years, wipes out all the surplus and half the capital stock in the institution. That the bank will suffer no permanent loss is the declaration of President Graham and of prominent Pomona men who have come to its support. Two propositions are now before the stockholders. One is to place the control of the bank in the hands of a strong syndicate of bankers, and another is to issue \$50,000 worth of stock to place the bank again on a normal footing.

WILDE INDICTMENT DISMISSED

Portland. — The remaining indictment against Louis J. Wilde, in which he is charged jointly with W. Cooper Morris with the embezzlement of \$12,500 of the funds of the Oregon Savings and Trust Bank in connection with the purchase by the bank of bonds of the Home Telephone Co. of Puget Sound in 1907, has been dismissed by Presiding Judge Kavanaugh on motion of District Attorney Cameron. Wilde's bonds were released, and he is now a free man as far as any criminal charge against him is concerned. The indictment disposed of was dismissed as to Morris also.

Spokane

The Bank of Fairfield, Wash., has been purchased by A. F. McClaine, Mose Oppenheimer, D. M. Drumbheller, all of Spokane, and Walter Hayward, G. W. Ensley and M. O. Ness. J. W. Hughes, former president and founder of the bank, has retired.

At a meeting between the state commissioner, Platt, and depositors in the Kendrick State Bank at Kendrick, Idaho, last week, more than \$35,000 was raised within three hours to reopen the bank. The shares at par are worth \$100 and they sold for \$150. They decided to reopen the bank on February 20th, but on that day it was discovered that the First National of Portland held \$10,000 worth of stock as collateral for a personal loan to J. W. Bradbury, former president and manager of the closed

bank. Mr. Bradbury states that his greatest concern in the bank is that the depositors lose nothing, and at the meeting of stockholders he voluntarily signed his check for \$10,000 and presented it to M. V. Thomas, the newly elected president, covering all the credits he had in the bank. Unless the stock held by the Portland bank is released, a new bank will substitute the one in question and the stock held by the Portland institution rendered worthless.

An indictment covering ten counts and over twenty pages was returned by the Federal grand jury against H. G. King, president of the First National Bank at Salmon City, Idaho, and King has been placed under \$5,000 bonds. The first of the ten counts is that on October 26, 1910, King permitted a false entry to be made in the books of the bank. Later, he is charged with having issued a false statement to the comptroller. The last count is that another false entry had been made on the books of the bank on March 7, 1911.

Seattle

B. F. Shields, of Seattle, in an address before the Democratic Club of King County, recently advocated the establishment of a central bank for each state, operated under a joint state and national charter. The bank would be a bank of discount, would receive deposits from stockholders and from the federal and state governments and postal savings banks. Each bank in a state would be a stockholder and the business would be limited to that of discounting bills of other banks; and deal in the securities of the government of the nation, state, school district or municipality. Deposits of government money would be distributed among the several states in proportion to population. Interest of four to five per cent to stockholders would be the limit. The present plan of examinations would be abolished and examinations conducted by the central bank of each state, and they in turn would be examined by federal examiners appointed by the president. Receiverships would be handled through the central banks.

Cashier George R. Fisher, of the First National Bank of Wenatchee, was a visitor to the Sound cities last week. He brings an unusually good message of optimism in regard to the prospects for a big crop of fruit in his part of the country. Weather conditions and the good behavior of the snow this winter have made a situation that presages a splendid crop in all agricultural and horticultural lines.

BOYS FIND BANK LOOT

Vancouver, B. C.—Three Chinese boys playing in a park near New Westminster discovered a canvas sack containing \$4,190 in gold and bills of the Bank of Montreal. Bills in circulation that evidently came from Chinatown were recovered by the bank, and together with the remainder of the money found by the boys, was identified by a Bank of Montreal accountant as part of the loot taken in the robbery of September 15th last.

The application to organize the First National of Kent, Wash., capital \$50,000, succeeding the private bank of M. M. Morrill, has been approved by the comptroller.



The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

—OFFICERS—

D. W. TWOHY, President
T. J. HUMBIRD, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, J. A. YEOMANS,
Assistant Cashier Assistant Cashier
W. J. SMITHSON, Assistant Cashier

J. S. & W. S. KUHN

INCORPORATED

INVESTMENT BANKERS

First National Bank Bldg., Phone Central 6400

PITTSBURG

CHICAGO

PHILADELPHIA

Guaranteed
Irrigation Bonds.
Guaranteed Water Works Bonds.
Public Service Bonds.
Municipal
Bonds.

There never has
been a day's delay in the
payment of either the principal
or interest on any bond
we have sold.

UNCLE SAM IS HARD TO PLEASE.

Are you the same? Then next time you go to *St. Louis*, test the quality of C. & E. I. service. It's the route that takes the mails.



C. & E. I.

(Chicago & Eastern Illinois R. R.)

To St. Louis

TICKET OFFICES:

108 West Adams Street
Tel. Har. 5115. Auto. 52377

La Salle Street Station
Tel. Har. 1408. Auto. 53495

A. B. SCHMIDT

Gen'l Agt. Passenger Dept.



"Uncle Sam's Route"

Condensed Statement

First Bank and Trust Company

CAIRO, ILLINOIS

February 21, 1912

RESOURCES

Loans and Discounts	\$1,020,740.09
Bonds and Securities	389,174.79
Banking House	40,000.00
Safety Vaults and Fixtures	20,000.00
Cash and Due from Other Banks	395,312.61
	\$1,865,227.49

LIABILITIES

Capital Stock	\$ 250,000.00
Surplus Fund	50,000.00
Undivided Profits	38,728.40
Reserved for Interest and Taxes	10,275.00
DEPOSITS	1,516,224.09
	\$1,865,227.49

Auditor's Call, January 9, 1911, Deposits \$1,251,797.49
Auditor's Call, March 8, 1911, Deposits 1,279,305.33
Auditor's Call, February 21, 1912, Deposits 1,516,224.09

J. S. AISTHORPE, President

H. R. AISTHORPE, Cashier

We Solicit and Give Special Attention to Collections

A "BANK" AND THE CHILDREN

Whoever doubts the desirability of state regulation of private "banks" should read the record of the examination of the proprietor of the defunct "Wilson Avenue Bank" before a referee in bankruptcy. About 700 of the 900 depositors who trusted their savings to Mason under the impression that his "bank" meant a responsible institution were school children. They saved their pennies, nickels, and dimes in small savings banks lent by the enterprising "banker" and are now wondering, like the depositors, how Mason spent the money for which he cannot account.

We talk about encouraging thrift and small savings, and then allow anybody to put the word "Bank" in front of his place of business and invite deposits from everybody. "Put your money in a sound bank" is good advice, but how are children and others to know what is an unsound bank? The irresponsible "banker" can put up as big gilt letters and have as impressive an establishment as the sound banker.

The State of Illinois should put all "private banks" under proper regulation and forbid any one, under heavy penalty, to represent as a "bank" what is not a bank.—Editorial in Chicago Record-Herald, February 28, 1912.

CAPITAL BANKS MAY MERGE

Sacramento, Cal.—The Fort Sutter National Bank and the Sacramento Valley Trust Co. are, as result of a deal made Wednesday, controlled by a group of financiers headed by A. Bonheim and George J. Bryte, and it is admitted that the directors are considering merging them. These two institutions combined have a capitalization of \$750,000. The Valley Trust recently applied for a national charter.

Philadelphia

The Girard National Bank last week took over the business and assets of the Western National Bank. A special meeting of the stockholders of the Western National Bank has been called for Thursday, March 28, to ratify a resolution providing for placing the bank in voluntary liquidation in accordance with the statutes. Until this is done the merger cannot be formally effective, although the business of the two banks will be conducted in the same offices.

The Girard National Bank's deposits at present are about \$40,700,000, and those of the Western National about \$4,300,000. The combined deposits, therefore, will be about \$45,000,000, but this will still be somewhat less than the deposits of either the Fourth Street National or the Philadelphia National, so that the Girard's position as third in deposits in this city will not be disturbed.

President George E. Shaw, of the Western National, will become a director of the Girard, and Charles F. Wignall, cashier, will become assistant cashier. It is understood that the employes of the Western will, in general, be taken care of.

GROUP 6, PENNSYLVANIA

The seventeenth annual meeting and luncheon of Group 6, Pennsylvania Bankers Association, was held at Mount Union, Pa., the home of the group chairman, W. T. Bell, on Thursday, February 22, 1912. A fine luncheon was served in the dining room of the Presbyterian Church, beginning at twelve-thirty. The table was tastefully decorated with flowers and favors. After a bountiful repast D. S.

Klos, secretary of the Pennsylvania Bankers Association, on behalf of about eight young men, all of whom had gone forth from Mr. Bell's bank, the Central Banking Company, of Mt. Union, to accept positions as cashiers of other banks, and four of whom were sons of Mr. Bell, presented in a neat speech, a watch, chain, and charm as a token of the esteem in which the recipient was held by the young men. Mr. Bell replied cleverly. Then the meeting adjourned to the hall. Here the regular session was called to order by Chairman Bell. The minutes of the previous meeting were read and adopted. An address of welcome was made by C. B. Ewing of Mt. Union, which was responded to by D. S. Klos, of Tyrone, on behalf of the group. A very carefully prepared address by H. J. Haas, assistant cashier of the First National Bank of Philadelphia on the "National Reserve Association," was then delivered. Mr. Haas went into some of the details as to the application of the Aldrich scheme and its workings and benefits to the country bank. Thomas F. Bailey, Esq., delivered a very interesting and instructive address, giving some forcible point on the old, irredeemable "rag" money of various states during the early days. The members of the group were disappointed in that one of the speakers, Dean Hunt of the Pennsylvania State College, did not arrive in Mt. Union until the meeting was about over, which was due to the storm in the West delaying his arrival.

For the ensuing year, A. G. Morris, president Blair County National, Tyrone, was elected chairman of the group, and Jask K. Barnhardt, cashier First National, Bellefonte, was elected secretary-treasurer. The meeting then adjourned. In all, seventy-seven delegates and guests were in attendance.

JOHN McHUGH - President
 JOHN J. LARGE - V.-Pres.
 W. L. MONTGOMERY, V.-Pres.
 HENRY G. WEARE - V.-Pres.
 F. A. McCORNACK - V.-Pres.
 H. A. GOOCH - Cashier
 O. D. PETTIT - Asst. Cashier
 FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
 BUSINESS AND OFFER
 YOU EXCEPTIONAL
 FACILITIES. CORRE-
 SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
 Excellent Collection Facilities

ARTHUR REYNOLDS, President
 J. H. BLAIR, Vice-President C. A. BARR, Cashier

I. H. INGWERSEN, President
 C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
 W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
 C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
 Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
 Savings Bank that Makes a Specialty of
 Collections and Bank Accounts

Largest Bank in Clinton
 County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
 35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VLIETEN, President
 GEO. E. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
 KEAT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Charles Stenske, Jr., a West Bend butcher, is in the Milwaukee county jail, charged with issuing a fraudulent check on the West Bend State Bank to Charles Hess of Milwaukee.

Des Moines, February 29.—Des Moines bankers have been greatly interested in a series of discussions of bank advertising which have been features of the weekly meetings of the Des Moines Admen's Club for the past three weeks. Emerson DePuy, editor of the Northwestern Banker of Des Moines, read the first paper. His subject was "Cobwebs or Cash." He took up the necessity for banks to advertise not only to bring in business but to encourage people to be thrifty and avoid the sharper and get-rich-quick man. The second paper, read the following week, was by L. E. Stevens, president of the Century Savings, Des Moines. Mr. Stevens took up the question of "What the Banker Should Advertise." He summarized the subject in three words, "security, saving, and service." The final paper of the series was given last week by Cyrus A. Barr, cashier of the Des Moines National. His subject was, "How the Banker Should Advertise." Mr. Barr declared that the most important point in advertising a bank is that the advertisement should be sincere. Mr. Barr stated that pleased customers are the best advertisements for any bank, but he then declared that newspapers and periodicals are next with novelties and a mailing list important aids.

"Bank advertising in the newspaper or periodical should be striking in appearance, easily catching the eye. Catch lines of this sort are better than illustrations in my opinion," said Mr. Barr. "The ads should breeze sincerity in short, crisp sentences that hammer home the advantage possessed by the institution in security, facility and convenience. The advertisement of the bank should solicit new business. It should show its stability. The detailed bank statement of the institution should always be given widest publicity possible."

Mr. Barr said that every bank should have a platform just as has a candidate for office. That platform should be based upon sound principles and ideals.

Law Committee in Des Moines

The Des Moines Bankers Club was in charge of the festivities which marked the arrival in Des Moines Wednesday of the law committee of the American Bankers Association, accompanied by General Counsel Thomas B. Paton of New York. The committee was en route from St. Louis to St. Paul. Dinner was enjoyed at 6 in the evening. Fuller details will be given next week.

L. E. Stevens Back from Chicago

L. E. Stevens, president of the Century Savings of Des Moines, has returned from Chicago where he went to investigate the methods that prevail there in loan agencies designed to save people from the clutches of loan sharks. Mr. Stevens is a representative of the Des Moines Commercial Club, which has joined with other organizations in starting the Public Loan Bureau. He does not be-

lieve that the Chicago "State Pawnors Society" is based upon methods as good as that to be pursued in Des Moines. This is because there is no loan made on furniture under the Illinois plan. Inasmuch as most of the victims of the loan shark have no other security, it is equivalent to driving them to the loan agent to refuse to loan money on furniture. Hence Mr. Stevens recommends the accommodation of borrowers upon chattel security of this sort by the Des Moines bureau. It is the plan in Des Moines to loan at 2 per cent a month, with the expectation that after the first year it may be possible to reduce this. The Iowa laws do not permit such usurious rates as 2 per cent a month and it is hoped to devise some method of charging this amount by means of commissions and otherwise pending the securing of necessary legislation. Articles of incorporation for the Public Loan Bureau in Des Moines were filed this week.

Valley National

The Valley National was successful in securing the \$41,000 issued by the city of Des Moines for purchase of a tract beside the Coliseum which is to be converted into a park. There were four bids submitted. The Valley National agreed to take the entire issue at 5½ per cent.

Directors to Meet with Examiners

Des Moines bankers take kindly to the idea of Comptroller Murray that boards of directors of national banks meet with the federal examiners when the latter discuss the loans and discounts of the institutions. While it may often cause some trouble and inconvenience, it is recognized that the rule is a good one. It has been a practice in Des Moines whenever possible to have the directors talk the situation over with the examiners. And for the most part the Des Moines national banks are managed by directors who live in the city so that the inconvenience of asking directors to come from other places to meet the examiner is largely done away with.

Maxey Disbarred

W. T. Maxey, for some years well known as an attorney in Des Moines, was disbarred last week because of questionable practices. Shortly thereafter four suits were filed against him by Des Moines firms alleging that he had given them bogus checks for varying amounts drawn on a savings bank at Booneville.

Bank Merger at Guthrie Center

An important bank merger has taken place at Guthrie Center in the absorption of the First National of that city by the Citizens National. John W. Foster will be president of the combined institution. Carl S. Foster and C. H. Lane will be vice-presidents. Will A. Lane is cashier and Roy F. Long and R. M. Sayre are assistant cashiers. President Foster is one of the best known bankers in center

tral Iowa. He has been chairman of Group 6 for two terms and has been prominent in banking circles. He is also at the head of the First National of Stuart. The merged bank at Guthrie Center will have total assets of \$805,977.20 and total deposits of \$660,993.25. Counting the Stuart institution, the Fosters in reality have control of management of assets of \$1,121,774.55 and deposits of \$913,868.92.

Bank Thief Being Sought

Iowa bankers are interested in reports from Los Angeles of the search that is being made there for Earl Standard who is accused of the theft of \$149,000 from the American National of that city. Young Standard is an Iowa youth and was born on a farm near Sydney. Reports from the West indicate that the young man has been living a decidedly extravagant life, especially since his marriage fourteen months ago to Miss Jessie Smith.

Sues Banker

F. W. Haines, formerly cashier of the Bank of Rudd, has filed a petition in the courts at Charles City asking damages of \$50,000 from H. F. Schnodler, banker at Nora Springs, and R. F. Darrow, his successor as cashier of the Bank of Rudd. Defamation of character is alleged by the plaintiff. The suit is the outgrowth of an action commenced by the defendants against Haines some time ago in which it was charged that during his ten years as cashier "he feloniously and wrongfully appropriated to his own use funds of the bank amounting to \$12,952.78 on forty-two specific occasions." This charge, Haines avers, has done him great damage and has wrecked his peace of mind.

H. B. Allfree

H. B. Allfree, a banker at Newton, is the latest financier to shy his castor into the active political ring in Iowa. Allfree is a candidate for Congress in the sixth Iowa district on the republican ticket. He is vice-president of the First National at Newton and president of the Reasnor Savings at Reasnor, and is well and favorably known. It is believed he will be a strong candidate.

Bank Notes

The First National at Belle Plaine has purchased a seed corn tester and proposes to do its share in the encouragement of better farming. The machine has been installed in the directors' room at the bank. It was started February 23d and anyone wishing corn tested free of charge is invited.

The Farmers National at Waterloo is expecting to construct a new building this spring. It will be modern and a credit to that city.

M. M. Reynolds, president of the Guthrie County National at Panora, and one of the famous Reynolds family so well known in bank circles all over the country, has added a seed corn tester to his bank equipment and is taking care of all comers.

The State Exchange at Parkersburg has renewed its articles for twenty years from January 1, 1912, with a capital stock of \$100,000.

William C. Burrmann, bookkeeper for the Iowa National at Davenport, has been chosen cashier of the new Northwest Davenport Savings by the directors. The bank will not start until a new structure is completed for its occupancy. It is expected that this will be completed by the first of July.

The bank at Floyd narrowly escaped destruction in a fire which swept over the business section of that town, doing damage of \$150,000.

The Farmers Savings at Manley, although organized only a year ago, declared its first

dividend at the annual meeting, 10 per cent. W. Fleming of Mason City was chosen president. F. F. Schulte of Manson was elected cashier.

The Farmers Savings at Atlantic is now housed in its handsome new home. The new quarters are spacious and thoroughly modern. An elaborate opening was held.

The City Bank at Boone has changed its name to the City Trust and Savings and has secured new quarters, into which it will remove after the newly acquired building is remodelled.

The Beaver Savings at Boone has voted to dissolve as a corporation, and the stockholders will meet to take the final steps in the near future.

The Waverly Savings at Waverly had a narrow escape from fire when one of the joists in the floor of the institution caught fire from an overheated furnace.

C. M. D. Long has resigned as president of the Hardin County National at Eldora after forty-four years with the banking interests of that city.

Harry T. Blackburn, cashier of the Iowa National, Des Moines, is once more on duty after an enforced layoff of several months from a broken leg received in an automobile accident.

C. M. Nichols has been chosen president of the Iowa State at West Liberty, succeeding I. A. Nichols, his brother.

The First National at Muscatine has added \$5,000 to its surplus and now has a total of \$100,000.

C. B. Murtagh of Ringsted has been chosen director in each of the following three institutions: the First National at Swea City, the Burt National at Burt, and the County Savings at Algona.

T. J. Webb, formerly a banker at Hereford, Texas, has removed to Leon, Iowa, to become identified with the Farmers and Traders State of that city, succeeding A. M. Caster.

The Farmers Savings at Battle Creek has decided to put \$20,000 into a new bank. It will be of brick faced with Bedford stone. A Sioux City architect has drawn the plans.

Mr. and Mrs. Joseph Klingseis, Jr., are rejoicing over the stork's visit on Christmas day. It was a bright son. The father is assistant cashier of the German-American at Dedham.

W. R. Erwin, assistant cashier of the Farmers Savings at Hamburg, has become cashier of the Farmers Bank at Fairfax, Mo.

Ira A. Moore, who has been assistant cashier of the First National at Fonda, has accepted a position as cashier of the Iowa Banking Company at Varina.

The Farmers State of New Vienna has filed articles with the secretary of state. The capital stock is \$10,000. Christ Koopman is president; J. L. Fanzmann is vice-president; and H. J. Mesher is cashier.

REWARDS FOR BANK ROBBERIES

Austin, Texas, February 26.—Governor Colquitt has decided to do all in his power to check bank robbery in Texas. He has accordingly offered a reward of \$500 for the arrest and conviction of the parties who blew open the safe of the Argyle State Bank at Argyle, Denton County, recently. He has also offered a reward of the same amount for the apprehension and conviction of the yeggmen who robbed the National Bank at Seminole, Gaines County.

Sioux City

By JOHN J. BIDDISON

An increase of \$2,855,303 over the figures given at the time of the last call is noted in the reports of Sioux City national banks, following the call of the comptroller of currency for a statement at the close of business February 20th. The total of deposits in the five national banks was \$14,289,006, and the total of available cash was \$5,561,887, an increase of slightly over \$1,000,000. The ratio of cash to deposits indicates a reserve on hand of approximately 39 per cent. Part of the increase is creditable to the conversion of the Farmers Trust and Savings Bank into the National Bank of Commerce, so that its report figures in the totals for the first time, but much of it is due to the normal increase in volume of business done at this season of the year. The important figures of each national bank are shown in the following table:

	Deposits	Available Cash
Security	\$3,532,644	\$1,546,223
Northwestern	1,042,635	340,933
First	6,774,059	2,413,740
Live Stock	2,083,018	856,215
Bank of Commerce ..	856,650	404,776
	\$14,289,006	\$5,561,887

Banking Notes

"Belle Fourche in June," is the slogan of the South Dakota bankers this year. The bankers association will meet in that little town next summer. The date has been fixed for June 26th and 27th.

The entire 130 shares of stock of the Citizens Bank of Marcus, owned by Frank S. Barnes, bankrupt, were bid in at \$13,000 at the receivers' sale last week, conducted by Robt. S. Pike, receiver.

John W. Foster, president of the Citizens National Bank of Guthrie Center, Iowa, has bought a controlling interest in the First National Bank, of the same place. He will consolidate the two and become president of the merged institution.

Among the Visiting Bankers

H. C. Edmunds, vice-president Farmers Savings Bank, Wessington Springs, S. D., was in Sioux City Saturday.

C. B. Mills, of Clinton, Iowa, and W. H. Pratt, Jr., cashier of the Brule National Bank, Chamberlain, S. D., were in Sioux City on business Saturday.

John J. Large, vice-president of the First National Bank of Sioux City, attended the group meeting at Toledo and Tama, on Washington's birthday.

Peter B. Dirks, cashier Citizens State Bank, Oacoma, S. D., was in Sioux City Monday.

C. D. Young, cashier of the First National Bank of Coleridge, Neb., was transacting business in Sioux City Monday.

W. T. Graham, cashier of the First National Bank of Laurel, Neb., was in Sioux City Monday on his way home from a trip East.

W. J. Kass, president of the First National Bank of Remsen, Iowa, and a partner in Kass Bros., attorneys, Sioux City, Iowa, was in Sioux City on business Monday.

H. H. Buck, cashier, and B. B. Van Steenberg, a director in the Spirit Lake National Bank, of Spirit Lake, Iowa, with two other friends, were in Sioux City Tuesday to the opening of the automobile show, with the intention of all buying machines here.

A. H. Johnson has been elected cashier of the Conrad National Bank, Kalispell, Mont.

Central Trust Company of Illinois

125 West Monroe Street, Chicago

Report of Condition at the Commencement of Business,
February 21, 1912

RESOURCES

Time Loans.....	\$16,625,021.44
Demand Loans.....	6,562,559.19
Real Estate Loans.....	1,089,490.69
Bonds and Stocks.....	4,083,894.88
Bank Premises.....	775,000.00
Other Real Estate Owned.....	142,875.86
Overdrafts.....	2,931.49
Cash and Sight Exchange.....	10,413,201.03
	\$39,694,974.28

LIABILITIES

Capital Stock.....	\$ 3,500,000.00
Surplus.....	500,000.00
Undivided Profits.....	1,024,579.21
Reserved for Taxes and Interest.....	15,000.00
Dividends Unpaid.....	50.00
Deposits.....	34,655,345.07
	\$39,694,974.28

State Bank of Chicago

S. E. Cor. La Salle and Washington Streets

CONDENSED REPORT, FEB. 21, 1912

RESOURCES

Loans and Discounts.....	\$20,804,859.26
Overdrafts.....	7,247.35
Bonds.....	1,266,022.94
Cash and Due from Banks.....	7,015,502.56
	\$29,093,632.11

LIABILITIES

Capital Stock.....	\$ 1,500,000.00
Surplus (Earned).....	2,000,000.00
Undivided Profits.....	194,590.95
Reserved for Interest and Taxes.....	80,500.00
Deposits.....	25,318,541.16
	\$29,093,632.11

OFFICERS — L. A. GODDARD, President; HENRY A. HAUGAN, Vice-President; HENRY S. HENSCHEN, Cashier; FRANK I. PACKARD, Assistant Cashier; C. EDWARD CARLSON, Assistant Cashier; SAMUEL E. KNECHT, Secretary; WILLIAM C. MILLER, Assistant Secretary.

BOARD OF DIRECTORS — DAVID N. BARKER, Manager Jones & Laughlin Steel Co.; J. J. DAU, President Reid, Murdoch & Co.; THEO. FREEMAN, Retired Merchant; L. A. GODDARD, President; HENRY A. HAUGAN, Vice-President; H. G. HAUGAN, Ex-Comptroller Chicago, Milwaukee & St. Paul Ry.; OSCAR H. HAUGAN, Manager Real Estate Loan Department; A. LANQUIST, President Lanquist & Illsley Co.; WM. A. PETERSON, Proprietor Peterson Nursery; GEO. F. RICKARDS, Chicago Title & Trust Co.; MOSES J. WENTWORTH, Capitalist.

YOUR BUSINESS INVITED

Peoples Trust and Savings Bank OF CHICAGO

Peoples Gas Building, Michigan Avenue and Adams Street
Statement at Close of Business February 20, 1912

RESOURCES

Loans.....	\$4,493,870.56
Bonds.....	599,660.38
Furniture and Fixtures.....	5,980.14
Due from Banks.....	830,403.87
Cash on hand.....	453,254.45
	\$6,383,169.40

LIABILITIES

Capital Stock.....	\$ 500,000.00
Surplus.....	100,000.00
Undivided Profits.....	61,270.62
Reserve for Interest.....	5,971.12
Deposits.....	5,715,927.66
	\$6,383,169.40

DIRECTORS

CHARLES G. DAWES
J. KRUTSCHNITT

S. M. FELTON
W. IRVING OSBORNE
GEO. M. REYNOLDS

JAMES F. MEAGHER
C. H. BOSWORTH

OFFICERS

C. H. BOSWORTH, Pres. W. J. COOK, Secretary A. M. RODE, Asst. Cashier
R. H. GRIFFIN, Vice-Pres. EARL H. REYNOLDS, Cash. R. B. UPHAM, Mgr. Bond Dept.

STATEMENT OF CONDITION OF THE LIVE STOCK EXCHANGE NATIONAL BANK OF CHICAGO

AT THE CLOSE OF BUSINESS, FEB. 20, 1912

RESOURCES

Loans and Discounts.....	\$8,326,045.84
Overdrafts.....	860.03
United States Bonds.....	100,000.00
Other Bonds.....	304,825.00
Real Estate.....	15,000.00
Cash and Due from Banks.....	6,395,139.29
	\$15,142,870.16

LIABILITIES

Capital Stock.....	\$1,250,000.00
Surplus.....	400,000.00
Undivided Profits.....	111,821.53
Discounts Collected but not Earned.....	103,120.24
Reserved for Taxes.....	27,942.96
Circulation.....	99,400.00
Dividends Unpaid.....	100.00
Deposits.....	13,150,485.43
	\$15,142,870.16

OFFICERS

W. A. HEATH, President G. A. RYTHUR, Vice-President
G. F. EMERY, Cashier A. W. AXTELL, Asst. Cash. H. E. HERRICK, Asst. Cash.

DIRECTORS

J. Ogden Armour
James H. Ashby
Samuel Cozens
W. A. Heath

Arthur G. Leonard
Edward Morris
Charles M. Macfarlane

H. E. Poronto
G. A. Ryther
J. A. Spoor
Edward F. Swift

Colonial Trust & Savings Bank

La Salle St., N. E. Cor. Adams Chicago

Report of Condition at Commencement of Business, Feb. 21, 1912

RESOURCES

Loans and Discounts.....	\$5,225,616.73
Bonds.....	536,013.63
Furniture and Fixtures.....	11,700.00
Cash and Sight Exchange.....	2,538,038.61
	\$8,311,368.97

LIABILITIES

Capital Stock.....	\$ 600,000.00
Surplus and Undivided Profits.....	490,855.67
Deposits.....	7,220,513.30
	\$8,311,368.97

OFFICERS

LONDON CABELL ROSE, President
JACOB MORTENSON, Vice-Pres. W. F. DOGGETT, Asst. Cashier
R. C. KELLER, Vice-Pres. H. A. SADLER, Asst. Cashier
EMIL STUEDLI, Asst. Cashier WM. J. FELDMANN, Asst. Cashier

FOREMAN BROS. BANKING CO.

30 N. La Salle St. Chicago

Statement of the Condition at the Commencement of Business
February 21, 1912

RESOURCES

Loans and discounts.....	\$9,058,843.29
Overdrafts.....	5,792.17
Stocks and bonds.....	188,486.79
Cash on hand and in banks.....	3,544,484.64
Total.....	\$12,797,606.89

LIABILITIES

Capital.....	\$1,000,000.00
Surplus.....	500,000.00
Undivided Profits.....	36,917.36
Deposits.....	11,260,689.53
Total.....	\$12,797,606.89

EDWIN G. FOREMAN, President
OSCAR G. FOREMAN, Vice-President

GEORGE N. NEISE, Cashier
JOHN TERBORGH, Asst. Cashier

1857



1912

Statement of Condition at Commencement of Business, Feb. 21, 1912

RESOURCES

Loans and Discounts.....	\$38,845,825.75	
Bonds and Mortgages.....	9,906,828.07	
Due from Banks and Bankers.....	\$18,292,897.75	
Cash and Checks for Clearing House.....	8,874,557.24	27,167,454.99
		\$75,920,108.81

LIABILITIES

Capital Stock.....	\$ 3,000,000.00	
Surplus Fund.....	6,000,000.00	
Undivided Profits.....	492,219.20	
Reserved for Accrued Interest and Taxes.....	184,050.56	
Deposits.....	66,243,839.05	
		\$75,920,108.81

DEPARTMENTS
Commercial—Savings—Trust—Bond
Farm Loan—Foreign Exchange

DIRECTORS

Frank H. Armstrong	William A. Gardner	Thies J. Lefens	Edward L. Ryerson
Enos M. Barton	Elbert H. Gary	Cyrus H. McCormick	John G. Shedd
Clarence A. Burley	Edmund D. Hulbert	Seymour Morris	Orson Smith
Henry P. Crowell	Chauncey Keep	John S. Runnells	Albert A. Sprague II
	Moses J. Wentworth		

OFFICERS

Orson Smith, President	P. C. Peterson, Assistant Cashier
Edmund D. Hulbert, Vice-President	C. E. Estes, Assistant Cashier
Frank G. Nelson, Vice-President	Leon L. Loeher, Secretary and Trust Officer
John E. Blunt, Jr., Vice-President	F. W. Thompson, Mgr. Farm Loan Dept.
J. G. Orchard, Cashier	H. G. P. Deans, Mgr. Foreign Dept.

112 WEST ADAMS STREET

REPORT OF THE CONDITION

OF THE

FORT DEARBORN NATIONAL BANK

CHICAGO

At Close of Business, February 20, 1912

RESOURCES

Loans and Discounts.....	\$16,154,568.36	
Overdrafts.....	5,119.90	
United States Bonds, par value.....	1,201,000.00	
Premium on Bond.....	5,750.00	
Other Bonds and Securities.....	2,123,236.08	
Due from United States Treasurer.....	55,502.50	
Cash and Sight Exchange.....	10,300,484.17	
		\$29,845,661.01

LIABILITIES

Capital Stock, paid in.....	\$ 2,000,000.00	
Surplus and Undivided Profits.....	637,830.19	
Circulation.....	1,000,000.00	
Dividends Unpaid.....	384.50	
Deposits.....	26,207,446.32	
		\$29,845,661.01

OFFICERS

NELSON N. LAMPERT Vice-President	WM. A. TILDEN, President	J. FLETCHER FARRELL Vice-President
GEORGE H. WILSON Ass't Cashier	HENRY R. KENT, Cashier	THOS. E. NEWCOMER Ass't Cashier
	CHARLES FERNALD Ass't Cashier	
	H. LAWTON, Manager Foreign Exchange Department	

DIRECTORS

JOHN A. KING	RICHARD FITZGERALD	L. B. PATTERSON
WALTER S. BOGLE	RAYMOND W. STEVENS	WM. A. TILDEN
CHAS. A. PLAMONDON	C. A. BICKETT	NELSON N. LAMPERT
GUSTAV FREUND	EDW. F. SWIFT	J. FLETCHER FARRELL
CALVIN H. HILL	AVERILL TILDEN	HENRY R. KENT

Continental and Commercial National Bank

OF CHICAGO

Statement of Condition at Close of Business, February 20, 1912

RESOURCES

Loans and Discounts.....	\$122,287,213.74	
Bonds, Securities, etc.....	14,098,191.18	\$136,385,404.92
U. S. Bonds to Secure Circulation.....		8,703,062.50
Real Estate.....		28,251.00
Overdrafts.....		8,704.89
Due from Banks and U. S. Treasurer.....	\$ 33,568,911.35	
Cash.....	40,438,771.38	74,007,682.73
		\$219,133,106.04

LIABILITIES

Capital Stock Paid in.....	\$ 21,500,000.00	
Surplus Fund.....	8,000,000.00	
Undivided Profits.....	1,173,475.61	
Circulation.....	8,416,100.00	
Deposits.....	180,043,530.43	
		\$219,133,106.04

GEORGE M. REYNOLDS, Pres.	WM. T. BRUCKNER, V.-Pres.	II. ERSKINE SMITH, Asst. Cash.
RALPH VAN VECHTEN, V.-Pres.	WM. G. SCHROEDER, V.-Pres.	JOHN R. WASHBURN, Asst. Cash.
ALEX. ROBERTSON, V.-Pres.	NATHANIEL R. LOSCH, Cashier	WILSON W. LAMPERT, Asst. Cash.
HERMAN WALDECK, V.-Pres.	HARVEY C. VERNON, Asst. Cash.	DAN NORMAN, Asst. Cash.
JOHN C. CRAFT, V.-Pres.	GEO. B. SMITH, Asst. Cash.	FRANK L. SHEPARD, Auditor
JAMES R. CHAPMAN, V.-Pres.	WILBER HATTERY, Asst. Cash.	
	EDWARD S. LACEY, Chairman of Advisory Committee	

Continental and Commercial Trust and Savings Bank

CHICAGO

Statement of Condition at Commencement of Business, February 21, 1912

RESOURCES

Time Loans (secured by collateral).....		\$ 5,774,460.08
Demand Loans (secured by collateral).....	\$4,206,448.89	
Bonds and Stocks.....	7,578,382.18	
Due from Banks.....	6,658,725.35	
Cash on Hand.....	2,236,178.45	
Demand Resources.....		\$20,679,734.87

LIABILITIES

Capital Stock.....	\$3,000,000.00	
Reserved for Taxes and Interest.....	97,021.23	
Undivided Profits.....	1,222,180.18	\$ 4,319,201.41
Demand Deposits.....	\$12,528,828.64	
Time Deposits.....	9,606,164.90	22,134,993.54
		\$26,454,194.95

GEORGE M. REYNOLDS, President	GEO. B. CALDWELL, Vice-President	FRANK H. JONES, Secretary
JOHN JAY ABBOTT, Vice-President	CHAS. C. WILLISON, Cashier	WM. P. KOPF, Asst. Secretary

Hibernian Banking Association

CHICAGO

Statement of Condition Before the Commencement of Business, February 21, 1912

RESOURCES

Time Loans.....		\$17,930,654.19
Real Estate.....		47,479.51
Bonds and Securities.....	\$ 5,785,103.53	
Demand Loans.....	1,636,248.59	
Cash and Exchange.....	4,200,110.25	11,621,462.37
		\$29,599,596.07

LIABILITIES

Capital Stock.....	\$1,500,000.00	
Surplus Fund.....	600,000.00	
Undivided Profits.....	735,692.29	
Reserved for Taxes and Interest.....	122,708.57	
Demand Deposits.....	\$ 3,923,621.82	
Time Deposits.....	22,717,573.39	26,641,195.21
		\$29,599,596.07

OFFICERS

DAVID R. LEWIS, Vice-Pres.	GEORGE M. REYNOLDS, President	JOHN P. V. MURPHY, Asst. Cash.
HENRY B. CLARKE, Vice-Pres. and Manager Savings Dept.	LOUIS B. CLARKE, Vice-Pres.	FREDERIC S. HEBARD, Secretary
	JOHN W. MACGEEGH, Cashier	EVERETT R. McFADDEN, Asst. Sec.
	GEORGE ALLAN, Asst. Cashier	

The capital stock of the Continental and Commercial Trust and Savings Bank (\$3,000,000) and the capital stock of the Hibernian Banking Association (\$1,500,000) is owned by the stockholders of the Continental and Commercial National Bank of Chicago.

Report of the Condition of the

Drovers Deposit National Bank

Union Stock Yards - CHICAGO

At the Close of Business, Feb. 20, 1912

Resources

Loans and Discounts.....	\$ 6,523,825.79	
Overdrafts.....	11,909.81	
United States and Other Bonds.....	778,270.56	
Real Estate.....	30,000.00	
Cash and Due from Banks.....	4,623,553.60	
Total.....		\$11,967,559.76

Liabilities

Capital Stock, paid in.....	\$ 600,000.00	
Surplus and Profits.....	466,389.36	
National Bank Notes Outstanding.....	597,200.00	
Deposits.....	10,303,970.40	
Total.....		\$11,967,559.76

OFFICERS

JOHN FLETCHER, Vice-President	EDWARD TILDEN, President	J. C. MORRISON, Assistant Cashier
GEORGE M. BENEDICT, Cashier		H. P. GATES, Assistant Cashier

DIRECTORS

EDWARD TILDEN	WM. A. TILDEN	L. B. PATTERSON
GEO. M. BENEDICT	AVERILL TILDEN	JOHN FLETCHER
		WM. C. CUMMINGS

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

BANK FIXTURES FOR SALE

FOR SALE—About 40 feet marble fixtures, practically new. Low price. Quick delivery. Can be changed to suit. See sample in this office. Send diagram of your room. For particulars address or call CHICAGO BANKER OFFICE, 407 Monadnock Block, CHICAGO

FOR SALE—Miscellaneous

1-A Reflex, focal plane shutter. Celor six-inch lens. Cost \$84.50. Like new, \$45.00. Address, X-44, Chicago Banker.

1-A Graflex, 1C. Tessar lens, focal plane shutter (new out of stock), value, \$101.50. Sell, \$85.00 Cash. Address, X-55, Chicago Banker.

4x5 Goerz-Argo, latest model, Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$105.00, and like new, \$75.00. Address, X-66, Chicago Banker.

Convention Dates

FLORIDA—Key West, April 4 and 5; Secretary, Geo. R. DeSaussure, Jacksonville.

LOUISIANA—Covington, April 26 and 27; Secretary, L. O. Broussard, Abbeville.

TEXAS—San Antonio, May 7, 8 and 9; Secretary, J. W. Hoopes, Austin.

OKLAHOMA—Tulsa, May 10 and 11; Secretary, W. B. Harrison, Enid.

ARKANSAS—Little Rock, May 14 and 15; Secretary, Robert E. Wait, Little Rock.

ALABAMA—Mobile, May 17 and 18; Secretary, McLane Tilton, Jr., Pell City.

MARYLAND—Blue Mountain, May 20, 21 and 22; Secretary, Charles Hann, Baltimore.

MISSOURI—Joplin, May 21 and 22; Secretary, W. F. Keyser, Sedalia.

KANSAS—Topeka, May 23 and 24; Secretary, W. W. Bowman, Topeka.

CALIFORNIA—Long Beach, May 23, 24 and 25; Secretary, F. H. Colburn, San Francisco.

NEW YORK—Buffalo, June 13 and 14; Secretary, William J. Henry, New York City.

MINNESOTA—State Agricultural College, St. Paul, June 14 and 15; Secretary Charles R. Frost, Minneapolis.

IDAHO—June 17, 18 and 19; Secretary, L. A. Coote, Boise.

PENNSYLVANIA—Bedford Springs, June 18 and 19; Secretary, D. S. Kloss, Tyrone.

VIRGINIA—Old Point Comfort, June 20, 21 and 22; Secretary, Walker Scott, Farmville.

SOUTH CAROLINA—Charleston, June 21 and 22; Secretary, Lee G. Holleman, Anderson.

OREGON—June 21 and 22; Secretary, J. L. Hartman, Portland.

SOUTH DAKOTA—Belle Fourche, June 26 and 27; Secretary, J. E. Platt, Clark.

NORTH CAROLINA—Morehead City, June 26, 27 and 28; Secretary, Wm. A. Hunt, Henderson.

WASHINGTON—Tacoma-Olympia, June 27, 28 and 29; Secretary, P. C. Kaufman, Tacoma.

NORTH DAKOTA—Jamestown, June; Secretary, W. C. Macfadden, Fargo.

WISCONSIN—Milwaukee, July 24 and 25; Secretary, George D. Bartlett, Milwaukee.

American Institute of Banking—Salt Lake City, Utah, August 21, 22 and 23; Secretary, A. C. Dorris, Nashville, Tenn.

American Bankers Association—Detroit, week of September 9-14; Secretary, Fred E. Farnsworth, 11 Pine Street, New York City.

Department of New Business

NORTHWEST

Robinson, Ill.—The Robinson State Bank has been organized with \$60,000 capital. H. Green, E. E. Lindsay, David A. Mefford, and Roscoe I. Richards are interested.

Loogootee, Ill.—The Farmers & Merchants Bank has been organized with the following officers: A. W. Lowry, president; J. R. Folger, vice-president, and W. S. Ewin, cashier.

Western Springs, Ill.—The Western Springs State Bank has been organized by Henry and Harold Pillinger.

Berwyn, Ill.—The Cook County State Bank has been chartered with \$25,000 capital. H. Pelling and E. C. Cronwall are interested.

Lebanon, Ind.—The Union Trust Company has been organized with \$50,000 capital. J. P. Staley, D. S. Whitaker, C. F. S. Neal, A. W. L. Newcomer, J. C. Brown, and others are interested.

Alexandria, Ind.—The Commercial Bank & Trust Company has been organized with \$25,000 capital. A. E. Harland and Harry Adams are among the incorporators.

Wanatah, Ind.—The Wanatah State Bank has been organized by Otis King. H. E. Richmond, Louis Newman, and J. Maning.

Lennon, Mich.—The State Bank has been organized with \$20,000 capital.

Oshkosh, Wis.—The Exchange Bank has been organized with \$50,000 capital. W. J. Glantz, J. C. Zehntner, and Herman Eilers are interested.

Clontarf, Minn.—The Farmers State Bank has been established with \$10,000 capital. Bruno J. Perrize, of this place, and W. Perrize, Jr., of Delavan, are chiefly interested.

Wanamingo, Minn.—The Citizens State Bank has been organized.

Coffman, Mo.—The Bank of Coffman has been organized with \$10,000 capital. W. L. Ponder, C. A. Boyd, Thos. M. Boyd, J. C. Williams, and Joseph Gegg are the directors.

St. Louis, Mo.—The Missouri Savings & Trust Co. has organized with \$100,000 capital. Hanford Crawford is interested.

WEST

Collinsville, Okla.—The State Bank of Collinsville has been organized with \$10,000 capital. John G. Butler and L. S. Butler, of this place, and C. H. Bessent, of Norman, are concerned.

Denver, Colo.—The Germania State Bank has been organized with \$30,000 capital. Wm. Pierkamp, Jr., is president and I. P. M. Schiele cashier.

Spring Hill, Kan.—The Farmers State Bank has been organized with \$20,000 capital. Thos. Williams is president.

Portland, Ore.—The Chapin-Heslow Mortgage & Trust Co. has been organized with \$250,000 capital.

SOUTH

Mountainburg, Ark.—The Bank of Mountainburg has been organized with \$10,000 capital. L. C. Stokes is president.

Rosemark, Tenn.—The Rosemark Bank and Trust Company has been established with \$15,000 capital. E. M. Moore and E. A. Thompson are interested.

Leiper's Fork, Tenn.—The Bank of Leiper's Fork has been organized with L. W. Pinkerton as cashier.

Sargoinville, Tenn.—The Holston Valley Bank has been organized with \$25,000 capital. C. W. Lyons is president.

Apopka, Fla.—The State Bank of Apopka has been organized with \$15,000 capital. C. P.

McCall is president; A. C. Starbird, vice-president; Wm. G. Talton, cashier.

EAST

Bayonne, N. J.—The Bank of South Hudson has filed articles. H. B. Meersse, Dr. W. W. Brooks, Dr. Thos. H. Reynolds, Judge Peter Stillwell, and others are interested.

Yemassee, S. C.—The Bank of Yemassee has been organized with \$10,000 capital. W. D. Sanders, W. N. Pinckney, and B. Josselson are interested.

Columbia, S. C.—The Bank of Commerce has been chartered with \$25,000 capital. W. T. McNeill, W. H. Hornby, W. A. Collins, W. B. Rice and J. Y. Bryson are interested.

Coronaca, S. C.—The Bank of Coronaca has been organized with \$25,000 capital. W. T. McNeill, W. H. Hornby, W. A. Collins, and W. B. Rice are interested.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 31)

and Mrs. John S. Decker, of that place. There was a gathering of grandchildren, and even of great grandchildren.

A ST. LOUIS girl has started suit against Floyd D. Headlee, a bank clerk at St. Onge, S. D., for breach of promise, demanding \$25,000 damages. The young man's father is president of the State Bank of St. Onge, and the suit is to be hotly contested.

GEORGE W. BURTON, president of the La Crosse (Wis.) National, was a classmate of President Taft at Yale, and is taking quite an active part in seeing that the President will have his share of the delegates from that section of the state. He has had a letter from Mr. Taft stating that he appreciates very much the action of the Wisconsin republicans in remaining loyal to the administration.

MINNESOTA BANKERS ASSOCIATION has sent out a neat circular prepared by its agricultural committee. Like several others which have been mentioned in these columns recently, it lays a great deal of stress upon good seed, and tells the farmer how to test corn so that there may be no empty hills.

AN attempt is being made to have the local banker in each small town take up the question of seed, that he may tell farmers who are short where they can get a supply, and that those who have an abundance may be able to find a good market for it. In short, they wish the local bank to act as a sort of a seed clearing house for the community.

J. W. WHEELER, of the Capital National, St. Paul, is chairman of the agricultural development committee and a practical farmer. He advises that all misunderstandings be avoided by buying only guaranteed seed on sample, and that all of it be tested before either being paid or planted. Farmers in the state of Minnesota may have samples of seed tested free of charge at the seed laboratory, University Farm.

ON this committee, of which Mr. Wheeler is chairman, are Joseph Chapman, Jr., of Minneapolis; L. A. Huntton, of Moorhead; George C. Powell, of St. Paul; A. G. Wedge, Jr., of Bemidji; W. E. Lee, of Long Prairie; and Chas. R. Frost, of Minneapolis. This is a model, hard-working committee.

CASHIER.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

convincing phrase. Mr. Pierson says, and as the young minister said when he quoted St. Paul, "we partially agree with him":—

"OUR present banking and monetary system, adopted to aid in the financing of the civil war, does not meet the demands of modern business. On the other hand it is believed that the plan of the National Reserve Association, developed in part out of clearing house emergency operations, will answer every daily requirement, and, in addition, give us a panic-proof banking system. A detailed explanation of this plan is given in the article by Professor Laughlin named in the above list."

"THE question of banking and monetary reform is too important and far-reaching to be left to partisan politics. It concerns the merchant, the manufacturer, and the wage earner even more than the banker, for the results of panics are more costly to them. On the other hand, it is the business man who will reap the greatest benefits from a proper monetary system and the stable business conditions which should follow. We believe, therefore, it is the duty of every business man to interest himself in this subject, in order to develop a sound and healthy public sentiment, based on a thorough knowledge of all the facts."

ROOSEVELT'S letter had nine lines and only used the pronoun "I" nine times, which is duly modest for the colonel. If he is to be with us for the campaign the type-making companies will please make up a lot of special boxes of "sorts"—all "I's." Not little "I's," but CAPITALS. Any office is likely to run short the first time the colonel speaks.

WASHINGTON bankers will meet in Tacoma-Olympia this year on June 27, 28 and 29. Business sessions will be in Tacoma on the first and third days and the "entertainment" session will be at Olympia on the 28th, with nothing to interfere with the fun. Good dates to remember.

GROUP 11, Iowa, has indorsed D. H. McKelvey of Davenport for member of the A. B. A. executive council. The next Iowa vacancy will occur when Arthur Reynolds is elected vice-president of the A. B. A. at Detroit. That vacancy has been sort of checked off to Henry Carpenter of Monticello, who lost out to Mr. Reynolds at Mason City at the end of a stiff fight. Perhaps Mr. McKelvey's friends have their eye upon the long term when E. L. Johnson goes off?

WE ARE indebted to Vice-President W. C. Cook of the Central Trust Company for a copy of "McElroy's Bank Note Reporter" of January 1, 1864, a relic of the days when banking newspaper publishers said just what they pleased about non-contributing banks and bankers. The paper's mission in life was to give the valuation upon the bank currency of that period, and the banks which issued currency were listed by states.

THE whole state of Illinois had thirty-one banks represented in the list, and the publisher announced boldly at the top of each column that "Banks not found below are considered worthless." In these modern times this would be considered pretty strong language for even a banking newspaper, although some of them continue to publish lists of what they call "reliable" banks and "reliable" attorneys.

CHICAGO had a very narrow escape from having all of her banks non-listed as worthless. The First National of course did

not issue such currency as the "Reporter" dealt with, so it got but two lines in the list and was described as "new." E. Aiken was president; E. E. Braisted, cashier. Among other Chicago institutions mentioned were the "Marine Bank of Chicago" of which J. Y. Seamon was president. The "Reporter" announced that 5s, 10s and 20s drawn upon this bank were all spurious. Then followed a description of the one-dollar bill containing ships, warehouse, sailor, flag, eagle and two mermaids, which seems to be a rather full allotment for a one-dollar bill. The two-dollar bill had ships at sea and a man with a flag, while the three-dollar bill contained a large eagle, Neptune and a female head. Other bills varied the engraving in various forms, using nearly the same emblems in more or less prominent positions.

THE "Chicago Bank" was described as "closing." These were all of the banks in Chicago which were not considered at that time worthless by the publisher. On page two of the publication was the announcement of the prospective opening of the Third National of Chicago with \$200,000 capital. James H. Bowen was president; Amos T. Hall vice-president and Ira Holmes cashier. The directors elected for the Third National were among the most distinguished men in the city at that time. They included the officers named above, together with J. K. Pollard, George M. Pullman, T. B. Bryan and J. J. Pearce.

THE announcement contained the assurance that the bank would be ready to go into operation in a short time, and that "The names attached to it are a sufficient guarantee that it will at once meet with confidence from the public," a style of advertising which has been much in vogue ever since the days of 1864. Among the safe advertisements was one for the "Great American," which was described as "The best in the world." It was made, according to the advertisement, with heavy round bolts and silver plate handle. The space between the plates was filled with the best grade of fire clay. Nothing was said about it being "burglar proof," a term much used and greatly abused since that day.

THE president of the new "Third National" referred to above was the head of a large dry goods store located on Lake Street, known as "Bowen Brothers," in fact all of the leading stores of that day were located on Lake Street. Among the firms named in the adver-

tisements were F. C. and M. D. Wells, boots and shoes, and C. M. Henderson and Company, boots and shoes, both on Lake Street.

THE New York Life Insurance Company advertised assets of two and one-half millions, which would be considered rather small talk at the present time. The Grand Trunk had just opened its Chicago connection, and it was advertising "low fares." James Boyd and E. Littlefield and Company were bankers on Clark Street.

THE list of bankers published showed that Wisconsin had three times as many bankers as Illinois, and that Massachusetts had almost as many as any half-dozen states put together. How the publisher of the "Reporter" decided just what banks to put in and to leave out is not shown from the text of the publication.

B RANCH banking was much in vogue in Missouri in those days. The Bank of the State of Missouri, located at St. Louis, had branches in more than a dozen counties. R. A. Barnes was president; A. S. Robinson was cashier. The Bank of St. Louis also had branches. R. P. Hanenkamp was president and L. C. Billon was cashier. The Exchange Bank, located at the same place, also maintained a line of branches. J. B. Alexander was president and E. D. Jones cashier. The Mechanics Bank, probably the forerunner of the present Mechanics-American, operated branches in Kansas City and other important points. J. W. Willies was president and Charles Evarts cashier. The Merchants Bank of St. Louis was headed by William L. Ewing, president and Robert F. Barry, cashier.

THE list would seem to show that St. Louis in those days was a much stronger and more important banking point than Chicago. This also would appear to be true of Milwaukee and several other cities. The thought is that probably the Chicago banks did not take kindly to the "Reporter," and that by being left out of his list were denominated as worthless.

ST. PAUL in those days had two banks on the "Reporter" list. The Bank of Minnesota of which J. E. Thompson was president and H. H. Thompson cashier, and the Marine Bank, of which C. K. Wells was president and O. B. Turrell cashier. St. Paul also had The Bank of the State of Minnesota, which was quoted at a great discount. The one Minneapolis bank mentioned was the State Bank of Minneapolis. The names of the officers were not given. The "Reporter" named but four banks in Kansas and five in Nebraska; all others were considered worthless.

NEXT week there will appear in THE CHICAGO BANKER an article on bank supervision by Edward H. Doyle, commissioner of the state of Michigan. It will be one of the strongest papers which yet has been produced in advocacy of better banking laws in the Middle West. It will be worth preserving.

THE Railway Business Association has issued a bulletin, showing by carefully prepared statistics that if business keeps growing until the year 1915, there will be a shortage of nearly twenty thousand locomotives and half a million freight cars, unless in the meantime the railroads are enabled to issue securities to replenish their equipment. Those who remember conditions in the years from 1907 to 1910 will understand what this might mean in the way of inconvenience and loss to business men.

E. W. DECKER and his two brothers, all of Minneapolis, visited their old home in Austin, Minn., on Wednesday last for the purpose of attending the sixtieth anniversary of the wedding of their father and mother, Mr.

(Continued on page 30)

SERVICE

THE SERVICE you receive when you buy bonds largely determines the degree of success you will realize from your investments.

☞ The thorough investigation we conduct concerning the security behind each issue of bonds we purchase, and offer for sale, is a part of the SERVICE we give our clients through our organization.

☞ Expert engineers must first investigate the physical value of the property, experienced attorneys pass judgment on the terms of the mortgage, etc., and competent accountants determine the financial worth of the property.

☞ This searching investigation of affairs, which would be too great an expense for any one investor, enables us to ascertain absolute facts and to give you intelligent advice.

☞ We do not under any conditions offer for sale securities which do not possess proven earning power and known stability of value.

☞ This means *insurance of security for the investor.*

☞ When you think of investing your funds safely, think of

D. Arthur Bowman & Company

INVESTMENT BANKERS

Third National Bank Building

ST. LOUIS, MO.

ALL BRANCHES OF BANKING

1857



1912

ORSON SMITH	- - - President	P. C. PETERSON	Assistant Cashier
EDMUND D. HULBERT,	Vice-President	C. E. ESTES	Assistant Cashier
FRANK G. NELSON	- Vice-President	LEON L. LOEHR	Sec'y and Trust Officer
JOHN E. BLUNT, Jr.	- Vice-President	F. W. THOMPSON,	Mgr. Farm Loan Dep't
J. G. ORCHARD	- - - Cashier	H. G. P. DEANS	- - - Mgr. Foreign Dep't

CAPITAL AND SURPLUS - \$9,000,000



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

THE NATIONAL CITY BANK OF CHICAGO

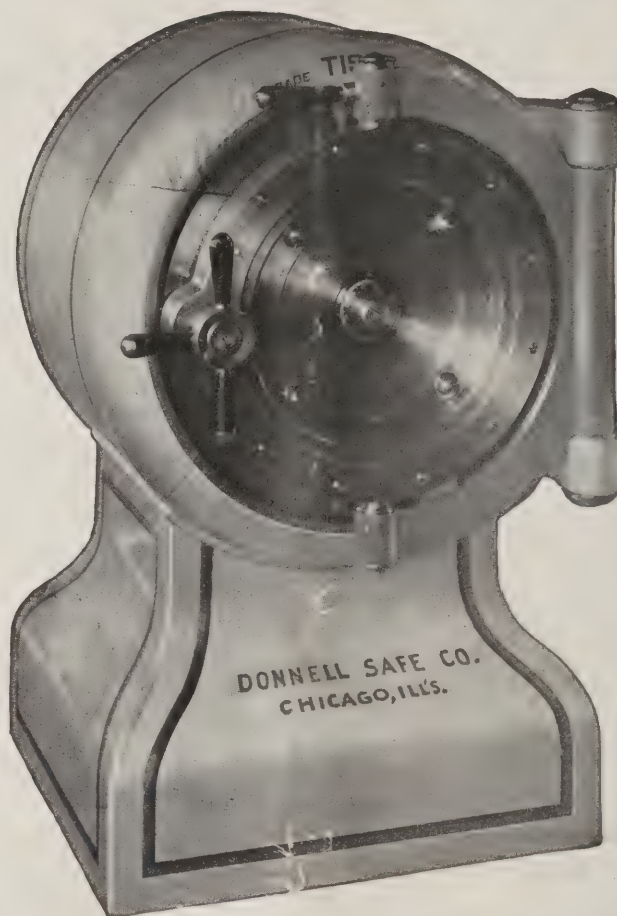
Capital, Surplus and Undivided Profits \$ 2,500,000.00

Resources - - - - 29,300,000.00

OFFICERS

ALFRED L. BAKER	- Vice-President	DAVID R. FORGAN,	President
H. E. OTTE	- Vice-President	HENRY MEYER	- Assistant Cashier
F. A. CRANDALL	- Vice-President	A. W. MORTON	- Assistant Cashier
L. H. GRIMME	- Cashier	WM. N. JARNAGIN	- Assistant Cashier
W. T. PERKINS	- Assistant Cashier	WALKER G. McLAURY	- Assistant Cashier
W. D. DICKEY	- Assistant Cashier	R. U. LANSING	- Manager Bond Dept.
		M. K. BAKER	- Asst. Manager Bond Dept.

Donnell Safe Co.



General Western Agents for the York Safe & Lock Co., who have the best-equipped safe factory in America. Their Manganese safes are superior to any in the market. We sell these safes subject to a test against any Manganese safe made and will guarantee all our work equal, if not superior, to any made. We can refer you to any banker in Chicago. We carry the largest stock of bank safes in Chicago. Burglar vault doors, vault linings, burglar safes that have been used always on hand. A large lot of second-hand deposit boxes that are modern and good as new.

227-229 Washington St., Chicago, Illinois

Fourth Street National Bank OF PHILADELPHIA

Capital - - \$3,000,000.00

Surplus and Profits 650,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER,	Chairman of the Board
E. F. SHANBACKER,	President
JAMES HAY,	Vice-President
B. M. FAIRES,	Vice-President
W. K. HARDT,	Assistant Cashier
FRANK G. ROGERS,	Vice-President
R. J. CLARK,	Cashier
W. A. BULKLEY,	Assistant Cashier

The Girard National Bank OF PHILADELPHIA

Capital - - \$2,000,000.00

Surplus and Profits 4585,000.00

Deposits - - 40,000,000.00

FRANCIS B. REEVES, President

RICHARD L. AUSTIN
Vice-President

JOSEPH WAYNE, Jr.
Cashier

THEO. E. WIEDERSHEIM
Second Vice-President

CHARLES M. ASHTON
Asst. Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

MARCH 9, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

To Briarcliff

A special train from Chicago to the May 6th Briarcliff meeting of the A. B. A. executive council is being arranged from Chicago by the following committee of members:

Arthur Reynolds, Des Moines, Ia.
George F. Orde, Minneapolis, Minn.
F. O. Watts, Nashville, Tenn.
Nelson N. Lampert, Chicago, Ill.
William G. Edens, Chicago, Ill.

Reservations can be made through any member of the committee or through THE CHICAGO BANKER. Compartment cars will be furnished, and a large attendance of ladies is expected. Get in early. Particulars as to leaving time, route and stops will be decided soon by the committee.

HIGH-WATER MARK IN CHICAGO BANK DEPOSITS

Deposits in the banks of this city have passed the billion-dollar mark. On February 20th, the total for all the banks in the city was something over \$990,400,000. Increases in some of the larger banks have been sufficient to run the total about \$3,000,000 over the billion-dollar mark. The Continental and Commercial now is up to \$188,500,000, while the First National has \$128,500,000. This increase has been largely from the country districts. Some loans have been made in Germany, large German banks being the borrowers. The local demand for money continues inactive. A fair amount of commercial paper is being bought, thus enabling banks to keep their increased funds employed.

MEETING OF GROUP 7, ILLINOIS

Chicago bankers who anticipate attending the postponed meeting of Group 7, Illinois Bankers Association, to be held at Sullivan on March 20th, will find it to their advantage to go via the Illinois Central to Mattoon the evening before, spending the night at that point and going to Sullivan the next morning. A train leaves Chicago at 5:50 p. m., arriving at Mattoon at 10:20 p. m., thus affording an opportunity for a good night's rest. Dinner will be served on the train. The next morning a train leaves Mattoon at 7:25, arriving at Sullivan at eight o'clock. They then can remain in Sullivan for the evening meeting, leaving there are 9:37 p. m., and reaching Mattoon at 10:15, from which point they can catch a sleeper for Chicago, at 10:40, and be back in the city the following morning at 9:15.

OUT-OF-TOWN VISITORS

M. P. Ohlman, president of the American State Bank, Yankton, S. D., was a caller at the Fort Dearborn on March 1st; E. J. Curtin, Decorah, Iowa, president of the Iowa Bankers Association, stopped off at Chicago on his way back from Washington, where he and other members of the committee on agriculture of the A. B. A. appeared before the congressional committee on agriculture and forestry; Fred L. Trees, president of the Kokomo Trust Company, Kokomo, Ind., was in town this week.



HON. ANDREW RUSSEL, JACKSONVILLE, ILL.

MR. RUSSEL, banker, farmer and man of affairs is a candidate for the republican nomination for state treasurer of Illinois. In past accomplishments, in character, in ability, faithfulness and honesty, he furnishes the sort of collateral upon which bankers can safely cast their ballot. He and the republican party are twins, having been born on the very same day—June 17, 1856. They never have parted company nor differed widely on matters of policy. Mr. Russel is of Scotch descent but was born in the city in which he has lived all his life. Young Russel was but eighteen when he engaged with the Jacksonville National and he stuck by the job sixteen years. Then it was that he and Mr. Dunlap founded the very successful banking house of Dunlap, Russel & Co. Only two years ago the firm purchased the control of the Ayers National of that city and already have nearing completion a very handsome seven story bank building. When it is ready Dunlap, Russel & Co. will merge their business with that of the national bank, making it one of the strongest financial institutions in Central Illinois.

Mr. Russel is a past president of the Illinois Bankers Association, has served five terms as treasurer of the city of Jacksonville, for six years was chairman of the State Board of Pardons, for a number of years president of the Jacksonville Library Board, and has held various other positions of honor and trust in his native city. He takes a special interest in all educational matters and in the physical training of young boys and their athletic sports, and probably among the many important offices which he has held there is none in which he takes more pride and pleasure than that of being chairman of the Board of Trustees of Illinois College, his alma mater.

Mr. Russel spent much of his boyhood on the farm and knows what real farming is. He is the owner of several hundred acres of land, and under his guidance and through his suggestions has his farm become very productive. In the past few years he has turned his attention to the raising of grain, and has demonstrated that a man can be both a successful farmer and a good banker. In the very prime of life Mr. Russel represents a type of manhood that stands for genuineness, honesty, earnestness and ability—all valuable attributes. Every possible act commends him without reservation to the voters of Illinois and should he be selected as the candidate of the republican party, there will be no cause for regret. Every banker in the state knows that the business and funds of the state treasurer's office will be in safe, experienced hands if Mr. Russel is elected.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS	President
RALPH VAN VECHTEN	Vice-President
ALEX. ROBERTSON	Vice-President
HERMAN WALDECK	Vice-President
JOHN C. CRAFT	Vice-President
JAMES R. CHAPMAN	Vice-President
WM. T. BRUCKNER	Vice-President
WM. G. SCHROEDER	Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH	Cashier
HARVEY C. VERNON	Assistant Cashier
GEO. B. SMITH	Assistant Cashier
WILBER HATTERY	Assistant Cashier
H. ERSKINE SMITH	Assistant Cashier
JOHN R. WASHBURN	Assistant Cashier
WILSON W. LAMPERT	Assistant Cashier
DAN NORMAN	Assistant Cashier
FRANK L. SHEPARD	Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

OFFICERS

GEORGE M. REYNOLDS President	JOHN JAY ABBOTT Vice-President	GEO. B. CALDWELL Vice-President	CHARLES C. WILLSON Cashier	FRANK H. JONES Secretary	WM. P. KOPF Assistant Secretary
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The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
Circulars on application

105 South La Salle Street

CHICAGO

WEIL, ROTH & CO.

CINCINNATI AND CHICAGO

Municipal **BONDS** Netting 3.80 to 5.50%

Corporation **BONDS** Netting 5 to 6%

Short or Long Maturities

INQUIRE FOR LIST OF OUR HOLDINGS

115 South La Salle Street

CHICAGO

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital	-	\$2,000,000
Surplus	-	500,000
Deposits	-	25,000,000

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
THOMAS E. NEWCOMER, Asst. Cashier
HARRY LAWTON, Manager Foreign Department

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....	\$ 9,887,954.84
February 5, 1909.....	11,617,691.24
March 29, 1910.....	15,041,357.21
March 7, 1911.....	21,574,956.79
June 7, 1911.....	23,137,746.88
September 1, 1911.....	24,500,075.82
December 5, 1911.....	25,445,199.89

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Drovers Deposit National Bank OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-eight years rendered Efficient and Quick Service to its Correspondents

Resources, Nine Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER
GEO. M. BENEDICT
WM. C. CUMMINGS



Mainly About Banks and Bankers

BRIARCLIFF LODGE, thirty miles out of New York on the New York Central lines, has been chosen for the spring meeting of the executive council of the A. B. A. The committees will meet Monday, May 6th, and the council will hold its session on Tuesday and Wednesday, the 7th and 8th. It is expected that the attendance this year will be unusually large, and an attempt will be made to transact so much routine business that the convention sessions at Detroit can be given up more largely to discussion.

THERE will be a special train out of Chicago, just as there was to Nashville last year, with probably sixty persons on board. Arrangements for a comfortable time, with first-class compartment cars, will be attempted. Briarcliff is classed among the leading hotels of America, and will open for the season the first day of May, so that everything will be in first-class running order.

IT is expected that no sort of entertainment will be attempted in a general way, and that there will be nothing to detract from close attention to business. It will be quite a change from Nashville in this respect, where there was something going on every hour of the day, and for many hours during the night.

DURING the past year Iowa banks have gained nearly ten millions in deposits. The average reserve is placed at 21 per cent, which puts that great agricultural state in a most enviable position. The figures, as officially published, furnish the basis for the above conclusions.

DURING the past week the Citizens National and the First National of Guthrie Center, Iowa, have consolidated. At the same time a new bank, to be known as the "Peoples State Bank," has been organized here.

THE consolidated banks of Guthrie Center will have John W. Foster for president; Carl S. Foster, and C. H. Lane for vice-presidents, and William A. Lane, cashier. Ex-Senator F. M. Hopkins is president of the new Peoples State, which will have a capital of \$50,000. The vice-president is H. J. Hess and W. K. Hamilton is cashier. There are rumors of a third bank for Guthrie Center, which would give that prosperous town three active financial institutions.

ANDREW JAY FRAME of Waukesha, has not exactly joined the Cubs and the White Sox, but he is making a southern speaking tour, the better to put himself in training for the coming season. He means to make himself effective this year.

IT will be seen that the Waukesha veteran is camping on the trail of the National Monetary Commission Bill, and his address as set forth will show that he has compiled many effective arguments on his side of the question.

MR. FRAME writes this brief note: "We want relief in the day of trouble and not dictatorship, inflation and overexpansion of

credit in normal periods; therefore, as the bill is not likely to pass this session of congress, let us, as it is an epoch-making measure, eliminate these objections and perfect the missing link to the chain."

MR. FRAME'S first address in the South was at Memphis on Tuesday evening, the 5th. Next evening he was at Little Rock, Ark., and "going fast." His address, entitled "Diagnosis of the National Monetary Commission Bill," will be found in another part of this paper.

WISCONSIN bankers will be in luck again this year, inasmuch as the Wisconsin National of Milwaukee is preparing to distribute again at the state convention beautiful leather-bound copies of its Wisconsin bank directory. This is the neatest and most nearly correct list of Wisconsin bankers to be found in print, and the best thing about it is that it comes free of charge, with the best wishes of one of the very best banks in the state.

W. D. VINCENT of Spokane is one of the few members of the A. B. A. agricultural committee who did not get to Washington for the congressional and senatorial hearings. The distance is too great and the snow was too deep.

MR. VINCENT, in a brief note, says: "It certainly is a heartbreaker not to be able to be in Washington to-day, because of the opportunity given to be connected with such a great work. I feel sure that the house committee will recommend for passage some bill that will benefit the people in an agricultural way."

SECRETARY RANKIN of Ohio writes us that a man giving the name of J. A. Warner, and selling a patent breakfast food, has been distributing checks throughout the Rankin bailiwick, which were not any more substantial than the breakfast food itself. Like it, they only resembled the thing which they represented. A reward is offered for the capture of Mr. Warner, with or without his patent food outfit.

MR. RANKIN also is very anxious to see C. H. Culner, who talks about the good qualities of a metal roofing company of Charlotte, N. C., in the intervals, when he is not filling out checks on imaginary accounts. A reward of \$50 is offered for Mr. Culner.

WHILE getting ready with a new building for a greatly increased business, the Merchants and Manufacturers Bank of Milwaukee continues to take on a substantial growth. The deposits are well over a million and three-quarters, while the "due from banks" and "cash on hand" is over a half-million. Comparative figures show that the increase has not been forced, but has been natural and substantial.

F. O. WATTS, the distinguished ex-president of the American Bankers Association, and president of the First National at Nashville, sends out his statement with this comment:

"This is the biggest and best statement this bank ever has issued." The deposits are over five and one-half millions, which, based on a capital of \$500,000, means a very profitable institution. The list of Mr. Watts' directors, and the business enterprises in which they are the moving spirits, will give an idea of why the bank is so prosperous. It almost is a directory of the leading concerns of Nashville.

COLUMBIA NATIONAL at Buffalo, with a capital of two millions, has a surplus of more than a million and a quarter. The bank carries deposits of nearly eighteen millions, and has shown a gradual growth for a period of ten years. The February statements, taken annually over that period, show an evenness of increase which must be very gratifying to President George F. Rand and his associates on the staff.

JAMES P. HINTON of the Hannibal (Mo.) National issues a sort of challenge to the big St. Louis and Kansas City banks, by announcing that his institution has the "most secure safety deposit vaults in Missouri." Certainly the Hannibal National is the largest bank in northeastern Missouri. Mr. Hinton has his own ideas about advertising.

ONE quotation which he uses in nearly all of his printing is from an address of William McKinley, in which the martyred president said: "The little savings bank in the home means more for the future of the children of the family than all of the advice in the world. It gives them the right start." The second quotation is from Abraham Lincoln, in which that martyred president said: "Teach economy; that is one of the first virtues. It begins with saving money."

THE total deposits of Omaha and South Omaha national banks on February 20th were \$59,683,002, nearly five millions more than ever before reported. This ought to be an evidence of prosperity in eastern Nebraska.

OLD NATIONAL BANK of Spokane has deposits of over eight and three-quarters millions, which indicates that that famous institution has not been letting down in the least in its campaign for business.

JANUARY of this year saw the twentieth anniversary of the Old National, and at the same time its charter was extended for another twenty years. The bank has had remarkable growth. Nothing in the Northwest can beat it.

CASHIER G. A. COULTON of the Union National at Cleveland directs attention in his statement folder to the twenty-five years of successful business operation of the bank, and states that the officers still are willing to meet or correspond with those wishing new or additional banking facilities.

EDW. F. LARSON, cashier of the Citizens State at Nampa, Idaho, calls attention to the fact that this new bank has every convenience. (Continued on page 30)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President

CHICAGO

RALPH N. BALLOU, Cashier
H. B. AHRENSFELD, Asst. Cashier



REMIT S

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

JOHN A. LYNCH, President	W. T. FENTON, Vice-President
R. M. McKINNEY, Cashier	O. H. SWAN, Asst. Cashier
JAMES M. HURST, Asst. Cashier	WM. B. LAVINIA, Asst. Cashier
W. H. HURLEY, Asst. Cashier	WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.	

THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-eight years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-President	R. F. NEWHALL, Assistant Cashier
JOHN F. HAGEY, Assistant Cashier	G. H. DUNSCOMB, Assistant Cashier

FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President	FRANK W. SMITH, Cashier
CHARLES L. HUTCHINSON, Vice-President	JOHN C. NEELY, Secretary
D. A. MOULTON, Vice-President	J. E. MAASS, Assistant Cashier
CHAUNCEY J. BLAIR, Vice-President	JAMES G. WAKEFIELD, Assistant Cashier
B. C. SAMMONS, Vice-President	LEWIS E. GARY, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

DIRECTORS		
Charles H. Wacker	Charles H. Hulburd	Martin A. Ryerson
Clarence Buckingham	Edwin G. Foreman	Benjamin Carpenter
Edward A. Shedd	Frederick W. Crosby	Charles L. Hutchinson
Edward B. Butler	Chauncey J. Blair	Watson F. Blair
	Ernest A. Hamill	Clyde M. Carr

The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

DIRECTORS		
A. C. BARTLETT	MARVIN HUGHITT	ALBERT A. SPRAGUE
WILLIAM A. FULLER	CHARLES L. HUTCHINSON	SOLOMON A. SMITH
ERNEST A. HAMILL	MARTIN A. RYERSON	BYRON L. SMITH



**A SAFE, QUICK
AND PROFITABLE METHOD**

**OF CARING FOR YOUR
LIVE STOCK BUSINESS—
IS AN ACCOUNT WITH**

**THE LIVE STOCK Exchange National BANK
of Chicago**

Michigan and Colorado Banking Commissioners

The following papers by two of our leading state banking commissioners—Doyle of Michigan and Pfeiffer of Colorado—will take high rank among the contributions to this series on banking supervision and improved banking laws.

What Mr. Doyle Says:

Replying to your letters of January 31st and February 19th, I desire to offer the following:

The business of private banking is authorized by the statutes of Michigan, without state supervision or inspection. The statute is silent so far as amount of capital is concerned, requiring only that a certificate be signed and sworn to setting forth the name of each and every person composing the firm, and terms of co-partnership. The statute further provides that a person or firm transacting such business shall not advertise, put up signs, or use any device or contrivance whatever tending to convey the impression that it is incorporated, and must use the individual or firm name and state in such advertisement the names of every member of such co-partnership or firm. In cases of violation of this provision the person, or persons, so violating shall be deemed guilty of a misdemeanor, and upon conviction shall be punished by a fine of not more than \$200.00 and costs, or by imprisonment of not more than six months in the county jail. The use of the word "bank," "banking office," or "exchange office," as a sign over the door on the building, or used on notes, checks, or drafts, in connection with the individual or firm name, is not a violation of the foregoing provisions. The enforcement of this law lies with the state treasurer, who is authorized to call the attention of the attorney-general to such violations as shall come to his notice.

Private Banks Fought Supervision

During the past decade several attempts have been made to place private banks under the supervision of the state banking department, but the private bankers have succeeded in defeating all such legislation. Any legislation which was favored by private bankers so far as supervision was concerned has been opposed by state banks on the ground that it would place the private banker on a par with the state banker in the eyes of the public, without any of the restrictions and safeguards that are obtained in the present banking law.

The Michigan law provides that the banking commissioner, his deputy, any bank examiner, or some other competent and disinterested person shall be appointed receiver of insolvent banks. Inasmuch as no bank failures have occurred since the passage of this amendment, I am unable to give any comparisons. If anyone connected with the banking department is appointed, the compensation as receiver shall not

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exceed that received from the state at the time of appointment.

Law on State Bank Supervision

The following sections relate to state bank supervision and the penalties provided:

6127. Sec. 38. Every bank existing or hereafter incorporated under the laws of this state shall be subject to the inspection and supervision of the commissioner of the banking department, as provided in this act. He may also employ from time to time such examiners to assist him and his deputy in the discharge of the several duties imposed upon them by this act as he shall find necessary. Salaries of the examiners shall be the sum of seventeen hundred dollars per annum during the first year of their employment as such, and shall be increased one hundred dollars each year of such employment until the full sum of two thousand dollars is reached, which sum shall be their annual salary thereafter. The salaries of the examiners shall be paid monthly, by the state treasurer, upon a voucher countersigned by the auditor-general. Vouchers for the examiners' salaries must be first approved by the commissioner. All traveling expenses of examiners shall be paid as is indicated in this act and provided for in the payment of expenses of commissioner, deputy, and clerks. Bank examiners shall file with the commissioner of banking a bond for ten thousand dollars for the faithful discharge of their duties.

6128. Sec. 39. It shall be the duty of the commissioner of the banking department, and he shall have power for himself, his deputy, or any examiner he may appoint for that purpose, to examine two or more times in each year, the cash, bills, collaterals or securities, books of account, condition and affairs of each bank under the law, and also when requested by the board of directors of any bank. For that purpose he may examine on oath any of the officers, agents, clerks, customers, or depositors of such bank, touching the affairs and business of such bank. Any wilful false swearing in any examination shall be deemed perjury. He shall also ascertain whether each bank transacts its business at the place designated in the articles of incorporation, and whether its business is conducted in the manner prescribed by law.

6129. Sec. 40. One examination each year

shall be designated as the annual examination, and for each annual examination the bank examined shall pay into the state treasury for the credit of the general fund one hundredth part of one per cent of the gross amount of the assets of said bank: Provided, That the examination fee of any bank shall not be less than twenty-five dollars, and that no bank shall be compelled to pay for more than one examination in each year. The expenses incurred and services, other than examinations, performed especially for any bank, shall be paid by such bank. If such charges or the annual fee are not paid after due notice, the commissioner shall maintain an action in his name of office against the delinquent bank for the recovery of such charge, or annual fee, with interest thereon, and the sums so collected shall be paid into the state treasury. No person shall be appointed to examine a bank in which he is interested as stockholder, officer or employee, or otherwise. The commissioner of the banking department, his deputy, every clerk in his employment, and examiner shall be bound by oath to keep secret all facts and information obtained in the course of such examination, except in as far as the public duty of such officer requires him to report upon or take official action, regarding the affairs of such bank. No bank shall be subject to any visitation other than such as is required by this act, or otherwise authorized by law.

6108. Sec. 19. It shall not be lawful for any officer, clerk, agent or employee of a bank to certify a check unless the amount thereof actually stands to the credit of the drawer upon the books of the bank, or to resort to any device, or receive any fictitious obligations, direct or collateral, in order to evade the provisions of this prohibition; and any officer, clerk, agent or employee who shall attempt any such evasion shall upon conviction thereof be deemed guilty of a misdemeanor, and punished as provided in section fourteen of this act.

6111. Sec. 22. Every bank failing to make and transmit to the commissioner any of the reports required by this act shall be subject to a penalty of one hundred dollars for each day after the time mentioned above for making such reports. Whenever any bank delays or refuses to pay the penalty herein imposed for a failure to make and transmit a report, the commissioner is hereby authorized to maintain an action in the name of his office against the delinquent bank for the recovery of such penalty, and all sums collected by such action shall be paid into the state treasury and applied upon the expenses of the banking department.

Sec. 29a. Any bank combining the business of a commercial bank and a savings bank which shall not keep separate accounts as required by the preceding section or shall not

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keep the investments of the savings department separate, or shall not in every respect comply with the requirements of such section, shall be liable to the state in the penalty of fifty dollars for each and every failure, neglect or refusal to comply with the provisions of said section, to be recovered in a suit to be brought by the attorney-general in the name of the people of the state of Michigan in the circuit court of any county in which such bank may be situated.

6109. Sec. 20. If the board of directors, or a quorum thereof, of a bank shall knowingly violate, or knowingly permit any of the officers, agents, or employees of the bank to violate any of the provisions of this act, and after warning from the commissioner shall fail to make good all loss and damage resulting from such acts or omissions, such conduct shall constitute a ground for a forfeiture of the charter and privileges of said bank, and it shall be the duty of the commissioner with the assent of the attorney-general to institute proceedings to enforce such forfeiture and to secure a dissolution and liquidation of said bank.

Taxation Matters Unfair

I believe it is manifestly unfair to require incorporated banks to pay taxes on their capital, and at the same time compete with private banks, which maintain no capital, and, consequently, pay very little, if any, taxes. So far as uniform state banking laws are practicable, I would be in favor of same, provided they did not impair the efficiency of present laws. The diversity of occupations and industrial pursuits in the several states would make uniform banking laws impractical, in my opinion, except as to capitalization, character, and responsibility of persons permitted to engage in the business, uniformity of reports, loan limit, and penalties prescribed for violations.

I am inclined to the belief that the adoption of the national reserve association plan, as at present formulated, might have a tendency to cause uniformity of state banking laws, in so far as capital stock, reserves, and uniformity of reports are concerned.

I am a firm believer that each state should have a separate banking department, as it brings the banker and department in closer relation and corrective measures can be taken much more frequently and with greater despatch than where the head of the department is so far removed.

I beg to call attention to the following recommendations as to needed legislation so far as the state banking law is concerned:

Organization of Banks

The principal weakness of the banking laws of the several states (and Michigan is no exception) is the absence of authority delegated to supervisors or commissioners of the several state departments to prevent the organization of banks by undesirable parties, or those who are unfit alike from standpoint of character, financial responsibility, and experience.

In Michigan, at the present time, state banks may be organized by such persons, and the law confers no express authority upon the

commissioner to withhold approval of application to organize or to refuse charter. The law should be amended in this respect, making it the imperative duty of the commissioner of banking to determine the financial responsibility and standing of stockholders in a proposed bank, and to investigate the character and experience of those who are to be in active charge, and the authority to refuse to approve application to organize or to refuse to issue charter where investigation is not satisfactory.

I am also convinced that the department of banking should have authority to exercise its discretion in the matter of passing upon the necessity of new banks in communities already having state or national banking facilities. The promiscuous chartering of banks in this respect does not tend toward conservative methods, either on the part of the new bank or the older established institutions. A new bank in a community which is already afforded ample banking facilities tends to the making of unsafe loans, as such banks may be contemplated by irresponsible parties who, on account of their standing, have not been able to procure credit from established banks in such communities, and are interested in the new organization with a view only of controlling and obtaining credit which their financial responsibility does not warrant.

The attempt by a certain foreign corporation to establish a chain of banks in Michigan, during the past year, demands, in my opinion, the conferring of such authority on the commissioner of banking. It is true the department has, with much difficulty, frustrated such a plan during the past year, but the promotion of unsafe banks, or a syndicate of such banks, can be more easily prevented by proper statutory enactment.

Banks Not to Loan to Officers

The extent to which officers themselves borrow from their banks or for corporations with which they are prominently and actively identified will, if continued, force general legislation prohibiting officers or directors becoming borrowers from banks which they control. Under the present law an officer (who is also a director) must own at least ten shares of capital stock and can borrow not to exceed twenty per cent of the bank's capital stock and surplus, which in the smaller banks would amount at least to four times the par value of the stock, the size of the loan increasing proportionately in banks with larger capitalization. The danger is obvious where such officers or directors of banks control or own corporations which are also permitted to borrow the maximum amount permitted by law. In fact, the history of the department shows instances where an officer had borrowed the maximum amount in his own name, and a like amount for each of several other corporations practically owned by him. These conditions eventually led to failure. This is now permissible by law, and is an evil certain to cause future loss and disaster unless remedied by proper legislation. In my opinion, the time is now ripe for a restrictive legislative enactment in this regard, and which, if adopted, will do much to prevent the recurrence of bank failures, such as Michigan and other states have witnessed in the past, chargeable solely to this condition.

Directors Declared Ineligible for Inactivity on Boards

The question of inactivity of bank directors has been a fruitful subject for discussion for many years, and while the directorates of banks are much more active than at any time in the history of incorporated banking, there yet remains room for improvement. There are bank directors in this and other states who are directors in name only; seldom if ever attending meetings of their board, having no voice in the bank's management, yet whose names on the list of directors inspire confidence on the part of the public, the latter being entirely ignorant of the directors' inactivity or indifference.

I am in favor of and heartily recommend an amendment to the law which would make a director ineligible (as such in any state bank) for a period of five years, who inexcusably missed directors' meetings for three consecutive months. A dummy director has no place on the directorate of an incorporated bank.

A Director-Manager of a Bank Not to Participate in Directors' Examinations

The experience of the department during 1911 brings home the fact that a director who is also the active officer of a bank should not participate nor assist other directors in their examinations, which the law now provides must take place once each six months.

In bringing to task a board of directors who had failed to discover a large amount of worthless paper (afterwards determined by the department), it was learned that the cashier

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(who was also a director) participated in the examination and concealed from the other directors such worthless paper, the amount of which, however, was included in the total loans, which was possible by his operation of the adding machine. This condition had existed for some time, and was eventually the cause of considerable loss to the bank. Had the directors conducted the examination without the cashier's assistance, the worthless paper would undoubtedly have been discovered and the closing of the bank made unnecessary.

Michigan Reserve Cities

With reference to Michigan reserve cities for state banks, the law should be changed in such a manner as to provide that incorporated banks therein desiring to become depositories for the state banks, shall maintain a legal reserve of at least 20 per cent of commercial deposits, and a cash reserve in vault of not less than 10 per cent of such deposits. At the present time, the law provides that incorporated banks in the cities of Detroit and Grand Rapids only shall maintain commercial, legal, and cash reserves of the above named percentage.

Examination of Receivers' Affairs

There should be an amendment to the law making it the duty of the banking department to examine into the condition of the receiverships of insolvent banks before directing the payment of dividends, as already provided by law, or accepting final reports.

At present the commissioner of banking is required to direct and approve the payment of dividends and accept financial reports of receivers, but has no statutory authority to determine whether or not assets have been properly converted into cash and applied to the payment of depositors and other creditors.

Reserve Banks to Furnish Daily Statements of Account to Correspondents

The absolute reconciliation of bank accounts in every instance has been a difficult matter to bring about by examiners, considering the limited time allotted for examinations and in view of the prevailing practice of reserve banks in rendering monthly statements only.

In order to facilitate reconciliations, the law should make it a condition precedent to the approval of reserve cities, that all incorporated banks therein furnish to state bank correspondents a daily statement of account, as shown by their books at the close of business each day.

This system has been adopted in another state with good results.

Amendment to Law Authorizing Extension of Corporate Existence

The act authorizing the extension of corporate existence of state banks should be amended in such a manner as to give the banking department the right to take possession of a bank and wind up its affairs for the purpose of protecting depositors' interests, where such bank is not in a satisfactory condition and refuses to comply with the requirements of the department and, as a consequence, ceases to be a de facto corporation because of the refusal of the commissioner to grant extension.

Amendment to Sections Relating to Liquidation and Consolidation of Banks

A change in the present law relating to liquidation and consolidation of state banks is, in my opinion, necessary. All proceedings authorizing liquidation and consolidation should be required by statute to be adopted and voted by stockholders representing at least two-thirds of the stock; a liquidating committee of at least three stockholders provided for, which must report to the department every thirty days and with authority conferred on the banking department to examine at any time and take possession and liquidate if it appears the interests of depositors and creditors are in jeopardy.

Some years ago a state bank in a dangerous condition voted to go into liquidation, and having complied with the law, the department was powerless to step in and protect the depositors. The liquidation of this bank was a farce, pure and simple, as it immediately proceeded to transact business as a private institution which afterwards failed, entailing large loss to its depositors and creditors.

The law should be amended in such a manner as to prevent a recurrence of this incident. This can easily be accomplished by making it the duty of the department to examine into the affairs of a bank before consenting to its liquidation or its consolidation with another bank.

Amendment to Prevent Hypothecation of Stock

I believe the law should be amended in such a manner as to require that all directors of state banks deposit with the state treasurer at least ten shares of bank's capital stock owned by them. This will prevent hypothecation of such stock, which the law now prohibits, but which the department finds has been done in the past.

Overdrafts

The department has taken the position that the practice of permitting overdrafts constitutes illegal banking, for the reason that it is not specifically authorized in the law. It is true that our banking law indirectly recognizes overdrafts by requiring that those of ninety days' duration shall not be carried as assets. Overdrafts are enforced loans—the paying out of depositors' funds without authority at law, and is an abuse which ninety-nine per cent of the banks are desirous of correcting. In other states, directors, officers, and employees of banks overdraw their accounts are deemed to be guilty of a misdemeanor or felony, while others make the cashier or executive officer of a bank personally responsible for all overdrawn accounts. In one state the statute provides that any person drawing a check, draft or order on a bank, knowing at the time he has no funds or credit to meet it, is subject to certain penalties.

I am in favor of amending the Michigan law in the direction of making it a misdemeanor for any director, officer or employee to knowingly overdraw his account, and at the same time to provide a penalty for any person who knowingly overdraws by check or otherwise. In this connection your attention is respect-

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fully called to the language of the supreme court of the United States in 1 Peters, page 71:

"A usage to allow customers to overdraw, and to have their checks and notes charged up, without present funds in the bank—stripped of all technical disguise, the usage and practice, thus attempted to be sanctioned, is a usage and practice to misapply the funds of the bank; and to connive at the withdrawal of the same, without any security, in favor of certain privileged persons. Such a usage and practice is surely a manifest departure from the duty, both of the directors and cashier, as cannot receive any countenance in a court of justice. It could not be supported by any vote of the directors, however formal; and, therefore, whenever done by the cashier, is at his own peril, and upon the responsibility of himself and his sureties. It is anything but 'well and truly executing his duties as cashier.'"

Amendment to Law as to Steamship Bonds

That part of the law which permits of investments in steamship bonds by savings banks should be amended to provide that such bonds shall be upon steamships of not less than 7,000 tons carrying capacity. It is the consensus of opinion of the members of the securities commission, as a result of several hearings on the matter of approval of such bonds, that in the future it will be difficult for boats of a less carrying capacity under the conditions existing on the Great Lakes, to compete with the larger crafts and show sufficient earnings to retire bonds and pay interest in the manner already required by law, much less pay any dividends on stock.

Reports at Stated Dates of Certain Loans

For the purpose of arriving at the aggregate lines of large borrowers, I believe it would be a wise provision if the law were amended to give the department the right to call simultaneously on state banks for a list of all loans in excess of ten per cent of capital and surplus in the smaller banks, and a list of all loans in excess of \$5,000 or \$10,000 in larger banks. At present it is almost impossible for the department to arrive at the total loans from state

banks of any person, firm, or corporation, for the reason that the examinations are made on various dates. If this information could be obtained from all state banks, say, once each six months, it would not only be useful to the department, but valuable as well to the banks. It would then be possible to arrive at the aggregate loans of large borrowers, and if such were deemed excessive a further extension could be retarded, and the banks saved from probable loss. It cannot be denied that better results would be accomplished if the federal act could be amended along the same line, and with the national and state banking departments working together, the danger of excessive loans would to a large extent be eliminated. This, in my mind, would eliminate a weakness which exists in the banking laws of the country as a whole at the present time.

State Funds to be Deposited in State Banks Only

I am heartily in favor of an amendment to the law, providing that state funds shall be deposited in state banks only. Of late years the banking department, in the eyes of the public at least, must share with the state treasurer the responsibility for state funds deposited in banks and is supposed to apprise the state treasurer as to the solvency of any such depository. I can see no reason, therefore, why state funds should not be deposited exclusively in banks that are subject to state supervision, as by so doing the banking commissioner and state treasurer will at all times be fully advised as to the exact condition of banks where such funds are or will be deposited.

Cancellation of Bank Stock

The banking law should also be amended by providing the proper machinery for the can-

cellation of shares of stock on which the bank has a statutory lien. At the present time the law is indefinite as to how banks shall proceed to cancel such stock and as to how to proceed to reissue and resell the same.

Increase in Examiners' Salaries

Since the organization of the department the position of bank examiner has been used as a stepping-stone to procure more lucrative positions with banking institutions. With a very few exceptions, former bank examiners are now employed by banks at salaries in advance of that paid by the state. The experience gained and acquaintances made by these men in the discharge of their duties have made their services invaluable to banks. In some instances the state has paid for the education of these men, and just at a time when they have reached their highest efficiency as examiners they have resigned to take higher salaried positions. Bank examiners, in my opinion, should receive a salary of \$2,500. Such a compensation would accomplish much in the direction of procuring and retaining the services of better men for the state, and I, therefore, recommend that the law be amended in this direction. An incompetent examiner is a public menace.

Postal Savings Deposits

Your attention is called to the opinion of the attorney-general, relating to state banks becoming depositories for postal savings funds.

From these opinions it will be seen that state banks cannot pledge assets for the purpose of obtaining such deposits, but stockholders or directors may pledge bonds actually owned by them for the purpose of having the banks in which they are interested designated as depositories. The banking law, in my opinion, should be amended in such a manner as to permit a state bank to pledge its assets in this respect.

Department Should be Self-Sustaining

As stated before, the net cost to the state of bank supervision in Michigan for 1911 was \$11,266.39. In view of the fact that the legis-

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lature has seen fit to require at least two examinations of state banks each year, without providing for an additional examination fee to be collected from banks, I am in favor of an amendment to the law in the direction of increasing the minimum fee from \$25 to \$50; any deficiency then appearing to be pro rated among all the banks, according to their total footings, as shown by the last report of condition made to the department in each year.

I trust you will pardon me for calling attention to that part of the Michigan law which requires absolute separation and segregation of savings deposits and investments. This section reads as follows:

6118. Sec. 29. Any bank combining the business of a commercial bank and a savings bank shall keep separate books of account for each kind of business: Provided, That all receipts, investments, and transactions relating to each of said classes of business shall be governed by the provisions and restrictions herein specifically provided for the respective kinds of banks: Provided further, That all the investments relating to the savings department shall be kept entirely separate and apart from the other business of the bank, and that the fifteen per cent reserve required by the provisions of this act to be kept on the savings deposits shall be kept separate and distinct on the books of the bank from the reserve required on the commercial deposits, and that such portion of said savings deposits as are on hand unloaned or deposited with other banks or reserve agents and the investments made with the funds deposited by savings depositors shall be held solely for the payment of the depositors of said funds.

How Segregation Works Out

Some two years ago an amendment was made to this law providing a penalty for non-compliance. Since its operation none of the objections raised when the matter was agitated have been sustained. So far as the operation of the law in Michigan is concerned, it does not tend to restrict business loans, and the business interests of the locality, owing to the fact

that a larger part of the savings deposits are required to be invested in mortgages and bonds. The report of Michigan banks on December 5, 1911, shows that commercial or business needs were amply supplied. State banks on that date had discounts of this character in the savings department aggregating \$39,555,358.53, notwithstanding the fact that they could, if necessary, avail themselves of the sum of \$63,023,114.27.

The segregation of savings investments has not, in Michigan, led to any lack in confidence on the part of either commercial or savings depositors. This is evidenced by the fact that since the law went into effect the savings deposits have increased approximately \$34,000,000, while the commercial deposits have gained nearly \$20,000,000.

Trusting the above will be along the lines you desire, I remain

Yours truly,

E. H. DOYLE,

Commissioner of the Banking Department.

Plain Words from Colorado Commissioner

Attention is called to the carefully prepared paper by Commissioner Pfeiffer, of Colorado, who writes:

In response to yours of the 31st ultimo, will first refer you to an article on page 40, the "Annual Review" of the Financial Age, published under date of January 6, 1912. In this article I did not hesitate to criticize the bankers of Colorado for the manner in which they have defeated any banking legislation during the past three years.

To go back into the earlier history of Colorado's banking law, I may say without fear of successful contradiction, that until 1907, and not until after some very aggravating bank failures, was there any attempt made to enact and enforce any banking law. All efforts along this line were defeated by bankers most interested in having their affairs and condition unknown, and it yet seems to be a disposition of Colorado's bankers to prevent any further legislation and to have this department as inefficient as possible.

Private Banks under Supervision

Under our present law a private bank is permitted, but is subject to the same requirements in many respects as are incorporated institutions. As stated before, the private bankers opposed any laws, and are to-day standing with the incorporated banks to still further oppose any new law.

I do not believe very many of the private bankers had any trouble in qualifying under the state law, and the incorporation of some of them appeared to have no ill effect on the business.

The department does not handle bank receiverships. The judge of the district court appoints receivers only when a bank is insolvent, or has made a false report. In one case where a bank was only temporarily embarrassed, I requested the court to appoint me receiver until such time as difficulties which had arisen could be overcome; in about sixty days the bank was reopened under entirely new management with a total cost of less than six hundred dollars; there is no method therefore, of comparing costs of receiverships.

Revised Statutes, 1908, Section 320, reads:

It shall be the duty of the state bank commissioner, and he shall have power by himself, or his deputy, to examine at least twice each year, and oftener, if he deem it advisable, the cash, bills, collaterals, securities, books of account, stock books, minute book, stock certificate books, and every other book, and all deeds, mortgages, documents, and other instruments, and all of the assets and liabilities, of whatsoever kind or nature, and the conditions and affairs of each bank doing business in this state, and the methods employed by each bank, in the transaction of its business, and for the purpose he shall have power to require of any of the directors, officers, owners, agents, or clerks of such bank, to furnish information to him touching the affairs, assets, and business of such institutions, and in so doing to administer oaths and affirmations, and to examine on oath or affirmation any individual banker, and the officers, agents, partners,

(Continued on page 28)



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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

The State Trust and Savings Bank of Peoria has been removed from its old home in the Interstate Telephone building and now occupies its magnificent new quarters at the corner of Liberty and Jefferson streets. The cash and books were removed in the blizzard, March 2d, but according to reports the "transfer was made without accident."

The new room is one of the best banking rooms in Illinois. The quarters are elaborately finished in marble, mahogany and bronze, with mural decoration by Gustav Brand, a Chicago decorator. The room is lighted from two sides and has sixty feet of plate glass surrounding it. Waiting and writing rooms are provided for both men and women, while the officers' quarters and the cages of the tellers and bookkeepers include every detail of present day banking equipment. The vaults are absolutely fire and burglar proof and are connected with the city police department in such a way that "it is impossible to break into them without notifying a dozen men immediately."

A trust department has been recently added and will be in charge of Charles Ireland, counsel for the bank. Officers are as follows: E. A. Strause, president; David Forney and W. D. Charles Threshie, vice-presidents; Berne M. Mead, cashier; William Shanemeyer, assistant cashier; Charles Ireland, trust officer.

Death of Quincy Banker

The passing of Edward Jarvis Parker, president of the State Savings, Loan and Trust Company of Quincy, removed a figure who had presided with signal ability over the affairs of one of the largest banks in Illinois outside of Chicago. Mr. Parker took great delight in municipal improvement in his home city and was known as the builder of the park system of Quincy, having been at the head of the park and boulevard association for twenty-one years. He was active in the affairs of the Illinois Bankers Association and was at one time chairman of the federal legislative committee. S. B. Montgomery, now chairman of the executive council of the Illinois Bankers Association, has been associated with Mr. Parker in the State Savings, Loan and Trust Company as vice-president.

The banks of Quincy are among the strongest in the state and have always been known

for their conservative management. Suffice it to say that Mr. Parker was one of the leading bankers in a city of strong and prosperous financial institutions. Under date of December 23d THE CHICAGO BANKER says, "It is very doubtful if there is a city in the land of 50,000 inhabitants which can boast such a fine financial record for its banks."

Kinley Speaks in the Southwest

Dean David Kinley, professor of economics in the University of Illinois, spoke recently before the business men of Oklahoma City on the monetary question. A similar call from the Southwest, coming from the business men of Little Rock, was declined by Dean Kinley because of the pressure of university duties.

Dean Kinley's address before the annual meeting of the National Rivers and Harbors Congress in Washington last December on "The Mississippi Valley Waterway System and South American Trade," has since been published.

Illinois Bankers to Wichita

George H. Hamilton, formerly president of the First National of Watseka and a member of the Illinois legislature, and Jerome Harrington, son of the late Major J. C. Harrington, the last named for many years cashier of the same bank, have purchased a controlling interest in the State Savings Bank of Wichita, Kansas, and have assumed management. Jerome Harrington has more recently been in the banking business at Watonga, Oklahoma, having been president of the First National there.

Belleville Bank Sues Coal Company

A suit to foreclose a \$1,100,000 mortgage has been filed by the Belleville Savings Bank against the Southern Coal and Mining Company, the Mercantile Trust Company and the Mechanics-American National Bank, all of St. Louis.

The mining company owns ten coal mines. The plaintiff alleges it owns \$14,000 of the company's bonds, which were secured by mortgage, and that no money has been put into the sinking fund as is provided in one of the conditions of the mortgage.

James Y. Lockwood, secretary and treasurer of the mining company, said that for some time the company was unable to pay the interest on its bonds. However, he thought the action would not be successful, as the company was making a profit.

Attempt to Swindle La Grange Bank

The State Bank of La Grange escaped being swindled out of \$9,000 by exercising due caution in having the Chicago Title and Trust Company guarantee the abstract on a piece of La Grange property on which the bank was about to loan that amount. Two clever operators negotiated for the sale of a house in La Grange and then attempted to borrow money on the property. The abstract seemed to be all right but the bank demanded an official approval from the Chicago Title and Trust Com-

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A Decade of Growth—Comparative

United States	1900	1910	Per Cent Increase
Population.....	75,994,000	91,972,000	21%
Wealth.....	\$88,517,000,000	\$125,000,000,000	41%
Money Circulation.....	2,055,000,000	3,180,000,000	54%
Savings Bank Deposits ..	2,389,000,000	4,070,486,000	70%
National Bank Deposits ..	2,458,000,000	5,287,216,000	115%
Bank Clearings, U. S.	84,582,000,000	158,559,487,000	87%
Bank Clearings, N. Y.	51,964,000,000	99,257,662,000	91%

Irving National Exchange Bank

	1900	1910	Per Cent Increase
Capital.....	\$ 300,000	2,000,000	566%
Surplus and Profits	100,900	1,797,900	1681%
Deposits.....	3,446,500	28,360,200	722%
Assets.....	4,108,800	33,347,200	711%

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\$40,000,000.00



pany, which blocked the game of the alleged swindlers.

Iroquois County Bankers Meet

The bankers of Iroquois county in response to invitations signed by E. D. Durham of Onarga and Richard R. Meents of Askum, met in Watseka in a day session. Luncheon was served at noon at Kelly's Inn.

Among those who spoke were Mr. Durham, Mr. Meents, Free P. Morris of Watseka, N. P. Goodell of Loda, L. D. Snow of Sheldon, J. N. Vanderpoorten of Martinton, A. M. Jones of Milford, and J. C. Gleason of Clifton.

Lee County Banks Prosperous

Deposits in the banks of Lee county have reached a total of \$3,259,738 according to reports made March 1st. More than one-half of this amount is held by the banks of Dixon, the Dixon National leading with \$1,676,000. The banks of the county are capitalized at \$615,000 and their surplus is \$331,000. There are fourteen banks in this prosperous northern Illinois county and, best of all, they are all members of the Illinois Bankers Association.

Railroad Buys Large Coal Fields

The most important financial deal in downstate business circles during the past few days was the purchase of approximately 28,000 acres of coal lands in Montgomery county for \$2,500,000 by the Chicago & Eastern Illinois Railroad Company. The deal is the largest transaction in coal lands in Illinois for many years.

A. R. Bird & Sons of St. Louis sold the lands to the railroad company and the transfer was handled by the banking house of Kuhn, Loeb & Company of New York. The new acquisition gives the C. & E. I. the control of about 38,000 acres of coal land.

"We acquired the property in order to safeguard our fuel supply," said President B. L. Winchell of the Chicago & Eastern Illinois line. "The purchase represents five coal mines, but we do not intend to operate them. They will be leased to the present operators for a

term of years. The Chicago & Eastern Illinois is a large coal-carrying road. In addition, we expect to expand our business steadily in all lines. In the event the Chicago & Eastern Illinois is in need of coal in the future we will be sure to have it."

Illinois Notes

Ford county, of which Paxton is the county seat, is said to be the richest county in the state per capita. The county has a population of 17,096 and has an assessed value per capita of \$809 with a full value of \$2,427 per capita. Iroquois county with a per capita tax of \$2,223 on full assessment is the second richest and Henderson county with \$2,207 is third.

The First National of Hoopeston, with deposits of over \$611,000, has reached a higher deposit point than any other bank in Vermilion county outside of Danville has ever reached. J. S. McFerren is the president and E. C. Griffith is the cashier.

J. U. Weyant, formerly with F. E. Stitley Company of Dixon, has been elected cashier

of the Leaf River State Bank in Ogle county and will begin his duties April 1st.

A nine story business building will be erected in Peoria for the use of the board of trade of that city which has outgrown its old quarters.

Transfers of farm lands in McLean county, March 1st, aggregated \$1,500,000, breaking all records for farm sales in one day. The average price an acre, \$225, was also higher than any previous record.

George W. Busey, president of the Farmers Exchange Bank of Fisher, Champaign county, and formerly cashier of Busey's Bank of Urbana, and Mrs. Busey have just returned from an extended visit to Florida and Cuba.

DETROIT BANKS

The increase of \$19,679,000 in the deposits of the clearing house banks for the past year is the largest increase for one year ever made, and all of the figures of February 21st are the highest ever published. The fact that the loans have increased over \$14,000,000 shows a normal demand for money in this city, which has kept pace with the enormous increase in deposits.

It will be seen that while the reserves have increased to some extent, it has been a very small increase, considering the enormous influx of money. It is doubtful if any city in the United States will show a situation more favorable than that disclosed by the Detroit banks on this call, for it is a well-known fact that bank reserves are piling up in all the centers.

The increase in the banking resources of this city of \$20,000,000 is best appreciated by the fact that during the decade from 1890 to 1900 the entire increase in deposits was only \$28,000,000. The total deposits of the clearing house banks on January 1, 1908, were a trifle under \$100,000,000, so that the increase for the four years has been in excess of \$50,000,000, or nearly double the increase for the ten years ending 1900.

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Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

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BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

The Wisconsin National will again distribute its handsome, leather-bound bank directory this year at the state convention. This is said by Wisconsin bankers to be the most correct list of banks ever published for this state and being a pocket edition, it is a very desirable possession.

Insurance Committee Meets

The insurance committee of the Wisconsin Bankers Association met in the office of Secretary George D. Bartlett on Friday, March 8th, to discuss a plan for insurance of bank deposits. The committee, which was appointed for this specific purpose at the last annual meeting, consists of H. A. Moelenpah, Clinton; F. E. Woodard, Watertown; Earl Pease, Grand Rapids; C. R. Thompson, Richland Center; and E. A. Dow, Plymouth.

Milwaukee as a Field for Bogus Check Artists

That no city in the country affords such a lucrative field for bogus check artists as does Milwaukee is the declaration of the police department of this city. This statement was embraced in a warning sent out this week to business men, and especially grocers and saloon keepers, following an astounding increase in the circulation of forged checks. Three men convicted of forgery were sent to penal servitude this week, after confessing to having forged and altered no less than twenty-eight checks. One saloonkeeper cashed two bogus checks, presented by two different persons in a single evening, and the central office has re-

ceived complaints of similar swindles from all sections of the city. Grocers and saloonkeepers are in the majority among the victims.

Although long considered practically extinct, confederate money has appeared in circulation in Milwaukee during the past week, one woman, proprietress of a rooming-house, having been prevailed upon to give two five-dollar notes in exchange for a confederate ten, and another landlady having received a similar note in payment of a month's bill. Both notes are in possession of the police.

3 Per Cent Interest on Savings

The Second Ward Savings Bank announces 3 per cent interest on savings deposits beginning April 1st. Encouraged by the recent warm weather officials of the bank anticipate the completion of the sumptuous new building at West Water and Cedar streets before the end of the year.

Oliver C. Fuller

Oliver C. Fuller, president of the Wisconsin Trust Company, was re-elected a director of the Wisconsin Telephone Company at the annual meeting in Milwaukee this week. Reports of the treasurer showed an increase in the net revenues over last year of \$40,267. Improvements to the plant during 1911 cost \$1,297,765, about a third of this investment being in Milwaukee.

Milwaukee Notes

Charlie Toy, Milwaukee's millionaire China-

man, has filed with the register of deeds a first trust deed for \$60,000 and a second trust deed for \$24,000. The deeds are on Second Street business property, on which Toy is erecting a six-story Chinese restaurant and office building. Toy is one of the heaviest importers of Chinese goods in the Middle West, his restaurant business being incidental to the other.

Sealed bids for bonds of the new \$100,000 4½ per cent Municipal Electric Lighting and Power Plant issue were received up to 11 o'clock Saturday morning, March 9th, by City Comptroller Carl P. Dietz.

The First Savings and Trust Company has taken a large block of People's Gas Light and Coke Company (Chicago) bonds from the William A. Read company, and will place them on the Milwaukee market. The bonds are 5 per cent refunding, due in 1947.

Increased Resources

According to the annual report of State Bank Commissioner A. E. Kuolt on the state building and loan associations, filed with Governor F. E. McGovern this week, the combined resources of the fifty-seven associations operating in the state are \$7,347,682, indicating an increase of \$1,167,076 over last year. The gross earnings were \$475,173, the expenses \$85,835, and the net profits \$389,338. Commissioner Kuolt expressed himself as satisfied with the present laws applying to the associations.



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

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Established 1847



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J. H. TWEEDY, Jr.	C. C. YAWKEY
GUSTAV RUESS	

Kenosha Postal Savings Opened

The Kenosha postal savings bank opened on Friday morning, in charge of W. T. Marx, register clerk of the Kenosha postoffice. In an order effective April 1st, the postoffice department at Washington has designated additional postal savings depositories in the following cities: Baraboo, Jefferson, Lake Geneva, Lancaster, Medford, Mineral Point, and North Milwaukee.

Oelkers Being Sought for Forgery

William Oelkers disappeared this week from his home in Racine after securing \$240 on checks forged in the name of his employer, J. C. Jensen. Peter Thompson, a Marinette plumber, is being sought, charged with having forged four checks for \$18 each. He has disappeared from the city. A professional forger for whom the police of the state are seeking, secured \$200 on a bogus check, which he passed on a Madison coal dealer Monday. Members of the Wisconsin Bankers Association have been warned to look out for a professional check forger giving the names, Harry O. Mills, Harry O. Fletcher, and W. J. Osborn, who is reported to be working in southern and central Wisconsin.

Calendar Advertising

A recent poll of members of the Wisconsin Bankers Association reveals that 160 of the banks, which replied, are using calendar advertising and 100 are not. According to computations \$50,000 was spent by state banks in this form of advertising this year. The arguments for and against the method are published in the March number of the Wisconsin Banker.

Wisconsin News Notes of Interest

The receipt of a check for about \$475,000 in payment of the taxes of the Northwestern Mutual Life Insurance Company this week brought the balance in the general fund of the state treasury up to approximately \$3,887,800, surpassing all previous high water marks in the treasury. This is \$1,000,000 in excess of the balance one year ago.

B. C. Coolidge is president, and A. Pederson, cashier of the new Wheeler State Bank which received a charter last week.

Prosser, Wash.—E. L. Stewart has been elected president of the Benton County National Bank.

H. O. STONE & CO. ADD NEW DEPARTMENT

The progressive spirit of the firm of H. O. Stone & Co., Chicago, is shown in the addition of a new department to their large business in real estate, renting, loans and fire insurance. This new department will be devoted to the handling of farm and fruit lands, ranches, colonization tracts, coal, timber, iron and phosphate properties, and they are already equipped with a large list of such properties of various sizes in nearly all parts of the United States, Canada, Mexico and Cuba.

FOR A. B. A. INVESTMENT SECTION

Chicago bankers have taken the lead in an effort to establish an investment section of the American Bankers Association. George B. Caldwell of the Continental and Commercial Trust is chairman of a committee that will meet in this city March 29th. Other members of the committee are Howard W. Fenton, vice-president of the Harris Trust and Savings Bank; Charles Schweppe, of Lee, Higginson & Company; Ferry W. Leach, of A. B. Leach & Company; Charles Counselman, of Spencer Trask & Company; C. H. Moore, Jr., of Woodin, McNear & Moore, of Chicago; D. Arthur Bowman, of St. Louis; Allen S. Hoyt, N. W. Halsey & Company; J. R. Swan, Kean, Taylor & Company; H. W. Smith, Harris, Forbes & Company, New York; H. W. Briggs, E. H. Rollins & Sons, Boston; G. W. Kendrick, E. W. Clark & Company, Philadelphia; Harry E. Weil, Roth & Company, Cincinnati and Chicago; E. M. Stevens, Stevens, Chapman & Company, Minneapolis; H. W. Noble, Detroit, and John H. Porter, Denver.

GROUP 7, MARCH 20

Group 7, Illinois, which was forced to cancel a former date on account of the blizzard, probably will be called for March 20th. President Irving Shuman expects to have W. G. Edens and H. A. Pearsons from Chicago on his program. It is to be a "farmer" program.

CHICAGO CHAPTER NEWS, A. I. B.

By OTTO J. KRAMPIKOWSKY.

The next regular general meeting will be held Tuesday evening, March 12th, at 8 o'clock, sharp, at the Northwestern University building. A valuable and interesting address on "Banking Reform and a National Reserve Association," a subject of vast importance to the public to-day, will be delivered by Prof. J. Laurence Laughlin, Professor of Economics, University of Chicago, also chairman of the executive committee of the National Citizens League. All bank men are invited. Frank Henry Watrous, discount teller of the Merchants Loan and Trust Company, will talk on the important subject of "Loans and Discounts." William P. Hofman, violinist, will give a musical selection. The law class in Negotiable Instruments will meet the same night at 6 o'clock.

Professor Kline will deliver his third lecture on "Parliamentary Law" to the Debating Society, in Hurd Hall, Northwestern University building, March 19th, at 8 o'clock.

As a large percentage of the active members of the Banking and Finance class failed to take the examination recently held, the executive committee is arranging for another examination on this subject, and all members that have not taken the examination so far are requested to kindly send their names to E. N. Goit, chairman of the educational committee, care of the Continental and Commercial National Bank.

AIMED AT PRIVATE BANKS

Albany, March 5.—Senator T. D. Sullivan introduced a bill to-day increasing the bonds and making more stringent the restrictions in connection with private bankers. It strengthens a law that was enacted at last year's session, which, Senator Sullivan said, had exercised a most salutary effect in preventing defalcations on the part of a certain class of private bankers, who deal mainly with emigrants.

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St. Louis

Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin

St. Louis, March 7.—The feature in the St. Louis monetary situation last week was the improved inquiry for funds from the South. This demand for the moment is not urgent, but there are indications that it will augment in a marked degree before very long. The situation down there, while not in the least critical or alarming, is unusual to some extent. Owing to the low prices of cotton and lack of corn and other cereals, collections have been backward from merchants. The banks have had a lot of carrying to do, which has employed their own resources, which are now near exhausted, and soon they will have to turn to the big centers as borrowers. Southern banks are using considerable money to purchase grain for their customers, notably in Oklahoma and Texas. Corn is a minus quantity in that section, and feeding for spring farm work will have to come from the outside. Numerous banks in the vicinity of St. Louis are already pretty well loaned up, and the same is true throughout the Southwest. Bankers here emphasize the fact that southern conditions are healthy, and the collections there show a falling off of not more than 10 to 15 per cent from normal.

Wholesale Trade Holds Own

A canvass of the wholesale district develops that the volume of sales, except from a part of the Southwest, is about the same as last year, and the outlook is favorable. The feeling prevails that definite improvement will set in when fall buying sets in. A large majority of merchants have for months restricted their purchases to meet the current demand, that is, they have stocked themselves with only what there was an immediate market for. This policy has militated against anything like booming business conditions, but it has eliminated speculation, and put things on an extremely solid basis. Therefore when things do start to pick up, they will go forward with a rush. Meanwhile the banks here continue with heavy reserves, and rates on all classes of loans, properly secured, have been low. Deposits are holding up well, and clearings are well over the total for the same period in 1911.

May Pay Broker's Commissions

The supreme court of Missouri has approved the State Capitol bond issue of \$3,500,000, and likewise sustained the right of the State Board of Fund Commissioners to pay a commission for sale of the bonds. A friendly suit was brought to settle these two points, and the favorable decision will doubtless result in an early sale of the issue, as St. Louis's financial institutions and brokers have made

propositions which the board is likely to accept. The bonds bear only 3½ per cent, which fact made it a difficult matter to sell them at par, especially in St. Louis, as the tax rate here is nearly 2½ per cent, which would leave only 1 per cent on the investment. The court says, however, that the bonds must be sold to a third party, and not to the broker or agent himself.

Bank Denies Overcharge

The National Bank of Commerce denies in an answer filed to the suit of the Wayne Iron and Lumber Company that it overcharged James T. Long of Kansas City for loans. The Wayne Company assumed certain obligations of Long's and took over collateral deposited by him as security. The bank advertised bonds of the Holiday-Klotz Land and Lumber Company and other collateral of the par value of nearly \$500,000 for sale on February 10th, but the sale was stopped by a temporary injunction. It is contended in the answer that even if the charges were illegal, the Wayne Company has no right to proceed under the state law, but should seek redress under the federal national bank act, as the defendant is a national bank. The suit is interesting as being an echo of the investment company of "tin box" fame.

Holman Heads Laclede Gas

Charles L. Holman, vice-president and general-manager of the Laclede Gas Light Company, has been elected president of that corporation. The offices of vice-president and general-manager have been discontinued. Other officers chosen were: G. H. Walker, vice-president; W. H. Whitton, secretary-treasurer; W. S. Dodd, assistant treasurer; C. L. Holman, W. H. Bixby, G. H. Walker and C. H. Huttig, members of executive committee. Under the management of Mr. Holman the company has increased its earnings nearly \$400,000 a year. During the

past year 8.52 per cent was earned on the \$10,700,000 outstanding common stock.

Missouri-Lincoln Reorganization

Plans for the rejuvenation of the Missouri-Lincoln Trust Company will be submitted to the stockholders at a special meeting next Monday. The scheme is unanimously recommended by the organization committee, and, it is said, is likely to be accepted by the shareholders. It provides for a capital stock of \$1,000,000 and surplus of about \$500,000. Five shares of old stock are to be exchanged for one of the new. It is proposed to cancel \$500,000 of the original \$3,000,000 now held in the treasury, and the remaining \$2,500,000 will be shrunk to \$500,000 by the exchange of five for one. New stock to the value of \$500,000 is to be sold at par, and the proceeds applied to liquidating a loan made by the Mercantile Trust Company for that amount. This loan was part of the liquidation process of the Missouri-Lincoln assets. The name will be changed to the Missouri Trust and Savings Company.

Assets Said To Be Valuable

The reorganization committee estimates that the present assets of the Missouri-Lincoln are worth \$993,000, consisting of securities and real estate, including the Liggett building at Eighth and Chestnut streets, 23,000 acres of rice land in Wharton, Tex., and about the same area of mineral lands in Washington county, Missouri. The framers of the plan declare that no value of assets would be taken from the company or from any of the stockholders under the reorganization, and that no fancy reorganization fees will be tolerated. In presenting the plan they say it will "provide a way of paying off the indebtedness to the Mercantile Trust Company at a saving of interest now being paid to that institution, will restore the company to the stockholders and directors, liquidating the assets economically and speedily and give the stockholders a practical working value for their stock. It is not proposed that the company embark again in a banking business until complete liquidation and reorganization are effected. The recommendations are signed by the full committee, consisting of Hanford Crawford, chairman; W. F. Carter, president of the company, H. A. Hauessler, M. E. Hogan, Moses N. Sale, Aaron Waldheim and Thomas Wright.

Farm Loans in Demand

The scheme to organize a farm loan company to meet the needs of agriculturists in Missouri, Arkansas, Oklahoma and Southern Illinois is gaining in popularity with St. Louis

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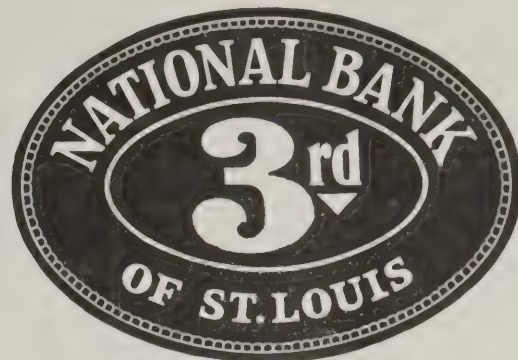
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financiers and business men. Those directly interested in the proposition claim that a company with capital of from \$10,000,000 to \$20,000,000 would find a ready and profitable field for its activities. Local financial institutions report that loans on farm mortgages are sought almost daily from the southwestern states at good interest rates, the demand being well in excess of available funds here for this class of securities. The Commonwealth Trust Company maintains a department of this character, and a syndicate, headed by Sidney Bixby and G. H. Walker, recently entered the field with a capital of \$500,000. It is pointed out, however, that to properly cope with the situation, a capital of at least \$10,000,000 is needed. Only improved farms would be handled, and from 50 to 60 per cent of the valuation of the properties would be loaned upon them. New York and other eastern capitalists are looking into the situation, and have expressed themselves willing to invest in such an enterprise.

Large Issue Underwritten

It is announced that the entire issue of \$5,000,000, to build an interurban electric line between Dallas and Waco, Texas, has been taken, the securities going exclusively to St. Louisans. The project was underwritten by the St. Louis Union Trust Company, G. H. Walker & Co., and William R. Compton & Co.

Jones Heads Bankers Club

Breckinridge Jones, president of the Mississippi Valley Trust Company, has been chosen president for 1912 of the St. Louis Bankers Club. He succeeds B. F. Edwards, president of the National Bank of Commerce. Other officers elected were: Edwards Whit-

aker, president of the Boatmen's Bank, first vice-president; F. O. Hicks, national bank examiner, second vice-president; W. W. Hoxton, manager of the St. Louis Clearing House Association, secretary, and A. O. Willson, vice-president of the State National, secretary. H. P. Hilliard, president of the Central National, and N. W. McLeod were elected members of the executive committee.

MUNICIPAL BANK PLANNED IN SPOKANE

Spokane, Wash.—The municipal government and the labor unions of Spokane have united in a project to form a quasi-municipal bank, which will eliminate the contractor from the municipal work of Spokane, according to a statement issued to-day by Commissioner of Public Works D. C. Coates, and labor leaders. The plan proposes the organization of a co-operative company to handle the city securities, the company to be under the control of the unions of Spokane. The investment company then will offer the city's bonds, bought at par with the funds of the unions, to investors at par in small lots on payments as small as \$10 down and \$1 a month.

JENNEY SETTLES WITH CREDITORS

Corunna, Mich., March 6.—Excepting for a few details, the settlement with E. Burt Jenney, the Dowagiac banker, who also owned the Lennon bank, has been completed. The agreement was reached recently.

By the terms of the agreement Jenney turns over to the creditors of the Lennon bank and the organizers of the proposed new state bank, the assets of the bank, the bank building and fixtures, the Three Oaks bank building, and

\$9,000 in cash. In return they are discharging him from all liabilities and assume his obligations to the Lennon creditors. This is practically the proposition Jenney offered some days ago.

It is thought the \$9,000 will make up the deficit. If not the creditors will hold James H. Haviland, of Owosso, until 18 months ago vice-president of the bank, and Smith Rogers, recently vice-president, responsible for the deficit.

OMAHA BANKS SHOW SUBSTANTIAL GAIN

Improving business conditions are reflected in the statements of the Omaha and South Omaha national banks, made at the call of the comptroller for February 20th. Large gains in deposits and loans are shown over the last previous statement and also over the corresponding statement of a year ago.

Total deposits on February 20th were \$59,683,002, which is \$4,369,844 greater than deposits at the time of the December statement, and \$3,900,320 greater than deposits at the time of the corresponding statement of last year—March 7th.

Total loans and discounts on February 20th were \$1,455,935 greater than at the December statement and \$1,911,094 greater than at the March statement.

Bogalusa, La.—The Commercial Bank has absorbed the Bank of Bogalusa. The capital will be increased to \$50,000. The officers are now: H. D. Bickham, president; E. J. Dreyfus, vice-president; H. L. Richardson, Jr., cashier; and Louis H. Sperling, assistant cashier.

Editorial Comment

OUR BANK SUPERVISION ARTICLES

Probably nothing heretofore printed in these columns on the subject of state supervision over banking has been so interesting or so exhaustively treated as two articles which appear in this issue. One is by Edward H. Doyle, commissioner of banking for the state of Michigan, who sums up the situation there, quotes the law and then makes recommendations in a manner which would do credit to a firm of attorneys, had they been filing a brief in the matter. The other paper is by Emil W. Pfeiffer, banking commissioner for Colorado. Mr. Pfeiffer speaks out in no uncertain terms and lays the blame for the lax laws in that state during the past exactly where he thinks it belongs. It is stated by him that until 1907 no serious attempt was made to give Colorado a banking law. In that year, and the following year, that state had many memorable bank failures, and in sheer protection of its public reputation, passed a banking law. Commissioner Pfeiffer says that therefore "All effort along this line was defeated by bankers most interested in having their affairs and condition unknown." This is a terrible indictment to bring against the bankers of any state, and coming as it does from the banking commissioner of the state, must be taken at its face value. Mr. Pfeiffer further says that "It yet seems to be the disposition of Colorado's bankers to prevent any further legislation and to have this department as inefficient as possible." For further details of the situation in Colorado the reader is referred to the paper itself. Private banking in that state is subject to "the same requirements in many respects as incorporated institutions." The private bankers of Colorado opposed the adoption of any laws whatsoever, and have united with other bankers to oppose the adoption of still stricter supervision.

During the past ten years Michigan has made several attempts to place all forms of banking under state supervision. The present law, except for a few jokers and amendments which were grafted on to it at the last, would have been a very creditable statute. As it stands upon the books to-day, it compels private bankers to use the individual or firm name instead of such misleading titles as, for instance, "The Wilson Avenue Bank." One of the amendments permits the private banker, however, to add the word "bank" or "banker" after the individual name. A feature of the law which seems to have been overlooked by the private interests is the matter of advertising their business, the restrictions being very severe. Commissioner Doyle quotes the statute at some length, and it will be interesting and instructive reading to those genuinely interested in progressive banking legislation. No other banking commissioner has gone so deeply into the subject of suggested improvements in

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LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

banking laws and customs. It would not be amiss for some state organization, or even the national organization, to ask Commissioner Doyle, along with Commissioner Dole of Kansas, to talk on the subject of banking regulation and supervision over investment-selling companies. A careful study of the papers referred to above will well repay any banker interested in the subject, or who heretofore may not have had his attention strictly called to it.

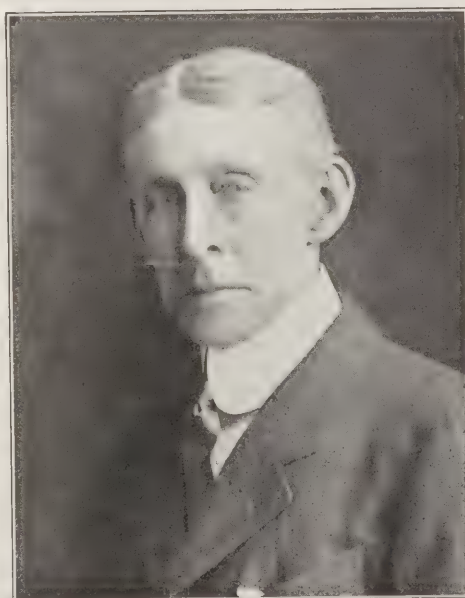
THE STUDY OF PRACTICAL ECONOMICS

American students of economics have a real treat in store in the splendid two-volume (Macmillan) edition by Prof. F. W. Taussig, head of that department in Harvard University. This clever writer has viewed his subject from the point of actual, practical experience. There are chapters dealing with monopolies, monopoly values, centralized banking system, crises and industrial depressions, banks, labor legislation, including workmen's insurance and damages for industrial accidents; the various complex railway problems, including public control and public ownership; combinations and trusts, socialism and a host of questions having to do with

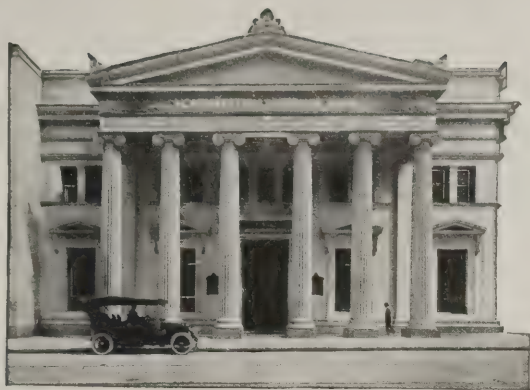
various forms of taxation. The work is intended for serious men, such as bankers are, and is neither too elementary nor too abstruse and technical. It is of the kind that one confidently can recommend to those who wish to be better posted upon the subject in hand. This country has produced a variety of economists, some specializing in mathematics, some in historical matters, and some in social reforms, but it has remained for Dr. Taussig to specialize in common sense and sane, progressive, practical and broad-minded economics for the use of the intelligent American citizen. These volumes will be just about what that gentleman has been looking for, and his library will be well furnished with this set alone. The distinguished writer has adopted the unconventional in style, but has omitted nothing vital to his subject. The illustrations are pointedly drawn from our present affairs and situations, and the author shows himself enlightened and responsive, as well as fair and generous to the theories which have come from other pens, and in which many believe. Perhaps nothing more complete ever has been offered to the American student upon this subject. This is a period when every business man, banker and intelligent voter is eager to acquire all the information which can be had, in order that he may be the better equipped for meeting the grave industrial and business problems, which from time to time threaten to swamp and overcome our institutions. This work will be of the greatest possible assistance in refreshing and awakening those who, in times past, have gone casually into the questions involved. The volumes are extremely valuable and readable, and have come to the public at a time when they ought to be in great demand. It is with confidence that their purchase and study can be recommended to all those even slightly interested in the subject.

STUDY THE AMERICAN GOVERNMENT

Perhaps the farmer takes greater advantage of what the government at Washington is able and willing to do for citizens than any other class of Americans. He constantly is writing for instructions how to ward off the attacks of insects upon his crops, how to overcome drought, how to test seed, how to doctor his animals, how to construct his silo, as well as when and what to plant. As if in reply to the public demand, there has been issued from the Lippincott press in Philadelphia a neat volume of four hundred pages, entitled, "The American Government." The title fits it exactly, for that is what the book is about. There is a very interesting account of the presidency, telling the functions of the chief executive, and all about the arrangements the government has made for his com-



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fort and welfare. It defines many of his activities, and tells about the powers of his office. There is a comprehensive chapter on the senate, giving a very interesting and uncolored statement of what the senate is expected to perform and how it does its work. The book is not intended to be a criticism of what is not done, or how the things, which the senate does are done, but to give the public an idea of senatorial prerogative and situation. A similar chapter is devoted to the house of representatives, and covers that feature of the government fully. The department of state is quite as important to many persons, and there is a lack of information about it, which might be surprising upon inquiry. The workings of this great department are described fully, and the chapter relating to it has the official O. K. of Secretary Knox. It might be said also that President Taft has placed his endorsement upon the chapter devoted to the White House, and that Vice-President Sherman approved the chapter about the senate. Speaker Clark has endorsed the chapter on the House. The treasury department is covered very fully, and as in other divisions, the illustrations are attractive features. Secretary MacVeagh has placed his official seal upon the chapter which relates to his department. Other sections of the work are devoted to the department of justice, the postoffice, the patent office, and to the department of agriculture. The book itself, taken comprehensively, constitutes an actual review of the chief work done by the federal government. It does not go into a history of the departments, nor present a full list of all their activities, but gives to the average reader a fund of general information such as probably never before has been collected together under the covers of one book. There are many persons in the country contemplating a visit to Washington, or taking advantage of some of the governmental activities, who would be benefited immeasurably by studying this volume. In addition to the chapters mentioned above, there are at least twenty others of only slightly less importance. There are twenty-four full page illustrations, and an attempt has been made to have them different from the recognized Washington views. They really are illustrative of the text. For instance, those relating to the treasury department show a machine at work actually

producing dollar bills; one gives a view of the money vaults, and another page shows how used currency is destroyed. All of the points of view in and around Washington are treated fully and carefully so as to round out the volume and make it a complete compendium of information about the government and about Washington city.

Billion Dollars

Chicago banks this week broke the billion dollar mark with exchanges running fifty to fifty-five millions per day. Reminds one of 1907—it's so different.

BANKERS' LUNCHEON

Subdivision 11, Banks and Bankers, Chicago Association of Commerce, are planning a program for some early date before the ways and means committee at one of its regular Wednesday noon-day luncheons. The committee consists of W. G. Edens of the Central Trust Company, chairman; W. G. Schroeder, vice-president of the Continental and Commercial; Henry Kent, cashier of the Fort Dearborn; L. H. Grimme, cashier of the National City, and Henry S. Henschen, cashier of the State Bank of Chicago.

NEW CHICAGO CLEARINGS RECORD

Bank clearings in Chicago last month reached an aggregate of \$1,152,000,000, an increase of \$181,000,000 over the amount in the second month last year and the largest February total ever reported by the local clearing house. This being leap year, last month had one more day than the ordinary February, but

of the twenty-nine days in the month seven were Sundays or legal holidays. In the twenty-two remaining business days the bank clearings averaged about \$52,400,000.

In the first two months this year local bank clearings reached a total of \$2,405,000,000. This is \$287,000,000 more than the total in the corresponding period of 1911.

TEXAS GROUP MEETINGS

W. H. Hurley, assistant cashier of the National Bank of the Republic, recently has returned from Texas, where he, together with other bankers of this city, Kansas City, St. Louis and New York have been attending group meetings. The Texas association has its group meetings, seven in number, in February of each year. The state meeting is held in May. These group meetings are held in close succession, thus enabling out-of-town visitors to attend all of them. The cities in which meetings were held this year are Dallas, Houston, Austin, San Antonio, Waco, Brownwood and Fort Worth. Other Chicago bankers who attended the meetings are L. H. Grimme, cashier of the National City; G. H. Dunscomb, assistant cashier of the First National, and Wilbur Hattery, assistant cashier of the Continental and Commercial. The first meeting was held at Dallas on February 13th and the last at Fort Worth on the 22d. Other states would do well to follow the plan of Texas in regard to holding their group meetings, thereby affording visitors from other states an opportunity to attend all of the sessions.

PHILADELPHIA BANKS IMPROVE

Low interest rates for call and time loans and on commercial paper caused a further large expansion in the investments of Philadelphia national banks in bonds, securities, etc., in the last three months, as revealed in their reports to the comptroller of the currency for February 20th. Complete figures compiled show the total security investments of the local banks on that date were \$39,470,641, compared with \$36,912,533 on December 5th last, an increase of \$2,558,108 in the eleven weeks' interval. This brings the security holdings to the highest total ever recorded.

The prevailing rate for call money there is 3½ per cent, and on time loans on good collateral 3½ to 4 per cent, but these quotations have been shaded fully one-half per cent. The security investments of the local banks have been rising, with only a slight interruption last summer, for more than a year. On January 7, 1911, they were \$30,097,829, and on March 7, 1911, they were \$31,949,296, the increase during the past year thus totally considerably over 25 per cent.



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Integrity of American Bankers Association Assailed

Memphis, Tenn., March 5.—Hon. Andrew Jay Frame of Waukesha, a noted speaker and writer on financial and economic topics, was the orator of the evening at a big meeting of the Bankers and Business Men's Club, on the subject of the National Monetary Commission plan. After the banquet he left for Little Rock, where he is to repeat the address. Mr. Frame said in part:

The momentous question before the American people to-day in relation to a National Reserve Bank, as presented to congress by the National Monetary Commission, profoundly affects us all.

As I have been an active banker for half a century, and have passed through the panics of '73, '93 and 1907, I have felt the ill effects of wholesale cash suspension by banks, which brings in its train general paralysis of trade and industry, throws men out of employment and turns the tide of progress backward. These experiences have so deeply impressed me that a cure should be effected, that I have for fifteen years before state and national bankers' associations, bankers' clubs, etc., constantly advocated a central reserve bank for us on lines similar to the progressive world's proved method. A bank without branches to bring us relief in the day of trouble. Not a bank to in any manner monopolize or compete with our splendid independent banking system in normal times. In short, a bank to be our servant but not our master at any time.

We hear much about the shortcomings of our banking system. Some say it is the "worst in the world," and even the report of the National Monetary Commission impresses upon us that it is radically wrong. I emphatically assert the contrary. When we consider the testimony of Canadian experts, as reported by the monetary commission hearings, and find the amazing statement that the comparative bank failures in Canada are five times those under the national banking system and depositors and stockholders share a similar fate; when we consider that the \$35,000,000 losses which accrued in the failure of the Scotch City of Glasgow Bank in 1878, approximates the total loss to all the depositors in all the na-

Andrew Jay Frame, member of the executive council, in an address at Memphis on national reserve association, says New Orleans program was packed in favor of the plan. Plain talk by this eloquent speaker

tional banks of the United States since 1863; when we consider that most of the states of the United States now have good laws along the lines of the beneficent national banking act, regulating state banks; when we consider old world bank failures as exemplified by comparison with ours in my address of 1902, before the State Bankers Association of Michigan, we ought all to feel proud of the national banking system as the best the world has ever produced. It is not perfect. It doubtless needs slight changes. The only radical change we need is not in our banking functions, but we will all concede is in our faulty rigid currency system. The crux of this problem lies in penalized flexibility of currency as a governor to our engine. Cure this defect; swing the few states with lax or no laws regulating banks into line; authorize the establishment of banks to do business throughout the world, and maintain inviolate the world's gold standard and the coast will be cleared naturally and not artificially to march onward and upward in our wonderful course.

A Bit of History

The monetary commission, I believe, through its reports, has made an honest effort to enlighten us with the progressive world's experiences and present banking conditions. Most of the publications are extremely valuable. Some are necessarily filled with much chaff and little wheat, interspersed with fallacies. Senator Aldrich presented his tentative findings in March last year, which findings the currency committee of the American Bankers Association (or at least five members out of fifteen) sought to amend, just before the executive council met in May. It was reported

to the council that the monetary commission had practically accepted the A. B. A. currency committee amendment, and thereupon, without digesting the complex questions, resolved "that if enacted into law it will correct all the principal defects of our present banking and currency system." I was asked to present the perfect measure, but declined to stultify myself.

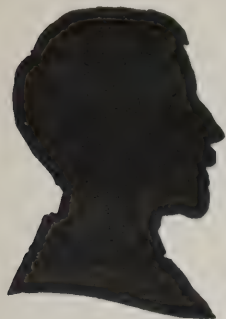
As this presentation did not stay perfect long, Senator Aldrich submitted an amended tentative plan, just before the American Bankers Association met in New Orleans in November. Without waiting for the bankers to calmly and deliberately digest the subject, as has been the custom for ten years past under ring control, the steam roller worked overtime and an "ex parte" miscarriage of justice occurred. A bombardment of attorneys for the prosecution with no one invited to defend the case took place. Another "unqualified" endorsement of the new plan passed with only one "No," even if others for diverse reasons failed to vote at all. I simply cite these facts, not to air them in public, but to show to congress the undignified and unfair methods pursued by the powers that be in the great American Bankers Association.

I again reassert that if the American Bankers Association is to preserve its usefulness, it will overturn ring control, and make an open forum for fair discussion by both sides to any controversy and let the majority rule.

As a formal "bill" somewhat different from the other perfect and "unqualifiedly" correct measures, has now been presented to congress and the people, we can doubtless take a little time to diagnose it.

Further, as the monetary commission claims the bill as tentative, and congress awaits honest criticism that the bill may be perfected, as far as possible, I venture a short diagnosis of it, trusting for an impartial hearing, to the end that necessary flexibility, not monopolization, inflation and over-expansion of credit may result.

Further, I appeal to the intelligent bankers of the country, even if the bill is complex, to ponder carefully this analysis before swallow-



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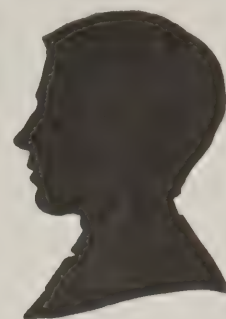
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Eric J. Everett, C. P. A., Vice-Pres.



ing the bait, hook and all, as it takes ten years after the bill is passed to amend it in any manner. Remember "an ounce of prevention is worth a pound of cure." Do not sleep in confident peace that your interests will be fully safeguarded by the currency committee of the American Bankers Association. It is a well known fact that the guiding spirit of this committee, if in his power, would crush the independent banking system, and substitute therefor branch banking and asset currency. The balance of the committee heretofore seems to have acquiesced. Further, it is an inside fact that at least one non-conservative amendment to the monetary bill, urged by the currency committee, was rejected and another's wings were clipped by the monetary commission, against the protest of the currency committee. I assert the whole trend of the A. B. A. currency committee amendments spell a menace to conservatism, except admission of state banks and trust companies, but this committee simply carried out what others insisted was necessary.

Supervision

Mr. Frame referred to sections 45, 46, and 22 (in part) in no uncertain tone. He said:

These sections seem rather presumptuous, but permit me to amplify them by adding a little unpublished history. I violate no secrets, as the conference did not appear to be a star chamber procedure, when I say that on invitation I attended a meeting in Chicago last November, where the monetary bill, also a revision of the aged national currency act, was under consideration. Present: The chairman and several members of the monetary commission; also the vice-chairman and several A. B. A. currency committee members, the comptroller of the currency and a few prominent St. Paul, Minneapolis, St. Louis and Chicago bankers. In discussing the feature of supervision of banks, the vice-chairman of the currency committee of the A. B. A. was the chief spokesman. He appeared to think the foregoing cited sections were about right, except that subscribing banks should be examined by the examiners for the National Reserve Association, and not by the examiners for the comptroller of the currency or state examiners. While discussing the question, he asked the comptroller what his present annual salary was. The answer came, "\$5,000." The vice-chairman said it was inadequate for a man of his standing, and suggested \$8,000 or \$10,000, as an amendment. The comptroller immediately replied: "This is an inopportune time to ask an increase, because if this National Reserve Association bill goes through, one-half of my occupation will be gone."

Brother bankers, are these sections tempered with reason, or are they a cloak to throw overboard the comptroller of the currency and state bank examiners, and then arrogantly boss the independent banks of the country? I leave the question to you without further comment.

Loans and Discounts

Before analyzing further objections and to

clinch the arguments permit the presentation of some valuable illuminating facts not heretofore presented to the public. The reports of the comptroller of the currency indicate that the national, state, private and savings banks and trust companies of the United States have under head of "loans and discounts"—in round numbers—17,000 millions of dollars.

Nearly half of the whole is invested in long time bonds and real estate mortgages. Four thousand millions is collateralized—of the balance, 2,000 millions is single, unsecured paper, and reason and experience tell us that 3,000 to 4,000 millions of dollars is all the strictly live paper extant. Banks all over the country are tumbling over themselves to get such quick, liquid paper first, then they seek other less desirable investments. I challenge anyone to prove that practically every legitimate call for a live loan or discount since our overstrained condition in 1907, even through crop moving seasons, was not supplied instant. In view of these facts, not theories, why should the air be surcharged with the fallacious arguments that we must have added monopolistic facilities to care for legitimate demands by rediscounts through—1st, A national reserve bank, and branches; 2d, Through say 200 manufactured local associations; 3d, On national bank acceptances? Amazing philosophy.

We cheerfully concede the necessity for a reserve bank with powers to issue additional highly taxed currency, to automatically supply flexibility of rediscounts as provided under Sections 26 and 32, purely as a relief measure to prevent cash suspensions by banks in the day of stress. These provisions meet all our reasonable requirements. The 2d is superfluous and the 3d dangerous. Let us see.

Mr. Frame noted the provisions for local

associations and for providing for acceptances and then said:

European Experiences

I assert the campaign to carry out the idea here, in quoting from foreign experiences, is greatly misleading. Let us see. In Great Britain, acceptances are confined almost wholly to London and to strong acceptance or discount houses, making it their business and not to banks of deposit. Picayune acceptances have no public market.

Personal inquiry as to the practice was made in a city of 40,000 in Scotland. Listen to the answers of several branch bank managers. "The system is not used in Scotland. They (the banks) use the ordinary system of bills (loans) or discounts, and of overdrafts, secured, but do not loan the credit of the bank otherwise."

Further, in Europe enlightening literature shows conclusively that the great bulk of the acceptances are upon drafts drawn on account of international trade with bills of lading or, to a much smaller degree, with "marketable securities," as collateral. Acceptances "without collateral" cut comparatively small figure. When we consider that Great Britain, France and Germany are creditor nations for probably 20,000 million dollars, portions of which sums are being continually repaid; when we consider that the foreign trade of Great Britain, France and Germany is 10,500 millions of dollars annually (or 900 millions per month), as against one-third of that amount, or 3,500 millions here; and when we consider that nearly all of this live, paid-at-maturity paper seeks the lowest international money-market rate, is it any wonder that the great European banks hold vast quantities of quick, liquid assets that, at present, in our developing state, we cannot command? Even our foreign trade bills go abroad, because the open market rate there is lower than ours and no fictitious manipulation through a central bank will prevent it. The accumulation of surplus capital alone and not issuing additional I. O. O's will ever turn the tide. For the same reason, a central bank cannot make a uniform interest rate throughout the United States. If it could it would upset the law of supply and demand and be a monstrous monopoly.

Here is a part of the meat in our cocoanut. Let us bend our energies to building up an international banking business, by throwing out our emissaries to the ends of the earth; build up our merchant marine by subsidy, if necessary, as so-called free-trade nations do, that direct connections be made with foreign ports instead of largely through London; so enlarge our foreign trade that drafts accompanied by bills of lading will become plentiful; forge ahead in our successful race to become the leading creditor nation, which automatically results in lower interest rates; and show to the world that New York City, like London, is the world's market for gold at all times. Then, and not till then, shall we have the quick, liquid paper we seek. Easy methods

(Continued on page 29)

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JAS. F. MEADE, Assistant Cashier

Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

Snow to the depth of about eighteen inches lies over every foot of the Central West to-day. This is the most splendid blanket of moisture that has been known in years and some farmers predict that it makes a fine wheat crop inevitable in this section. Since Christmas very little ground has been free from snow. This has afforded perfect protection to wheat. The most recent storm which was general over the Central and South West came a week ago. It was very unusual both as to season and as to the depth of the snowfall. In many places travel was seriously impeded and trains were blockaded at some points for days at a time. Business has been at a standstill and bankers and merchants are merely waiting in smiling confidence for the thaw which will reopen communication. At this season a year ago there had been no moisture for three months, and the wheat crop was already a failure. Much of the seed had been blown out of the ground by the high winds and there was little encouragement for the farmers who sought to plant corn on drouth-stricken wheat fields. Secretary Curn, of the Kansas state board of agriculture, easily the foremost authority on agricultural conditions in Kansas and the Southwest, predicts that the coming season will break all records for wheat, and the outlook for corn and other early crops is quite as good. All of which bears directly upon the banking situation in this section.

First National Celebrates Twenty-sixth Anniversary

On March 1st, the First National of Kansas City celebrated its twenty-sixth anniversary, and at the same time E. F. Swinney celebrated the twenty-fifth year of his connection with the institution, most of the time as president. There is only one person now connected with the First National Bank as an employee who started with it at the beginning and he is the trusted negro porter, Richard Allen, who has survived all regimes and changes. Richard is a famous character in the bank of only a little less dignity and self-importance than the president himself. Richard has waited on the table at the directors' daily luncheons since 1888 and has known more about the affairs of the bank and said less than any other employee.

Minnesota Avenue State Elects Officers

After several ineffectual efforts to open the Minnesota Avenue State Bank of Kansas City, Kan., the stockholders were at last able to comply with all requirements, and on February 28th the following officers were elected: A. L. Cook, a Kansas City, Kan., furniture dealer, president; H. F. Mastin, a retired real estate dealer of Kansas City, Mo., vice-presi-

dent, and R. E. McDonald, of Pleasant Hill, Mo., cashier. In addition to these officers, J. W. Yardley, a Kansas City, Kan., hardware merchant, was elected to the directorate. Other directors will be elected within a few days. This bank was formerly the All Night and Day Bank of Kansas City, which failed in the crash which took down the All Night and Day Bank of Kansas City, Mo., and the American Union Trust Company of Kansas City, Mo. The reorganized institution of Kansas City, Kan., will take over all obligations of the old bank.

Capitol Bonds May Be Sold

There is new hope that the Missouri capitol bonds will be sold at last. These bonds, amounting to \$3,500,000 and bearing interest at 3½ per cent, were voted last summer, but all efforts of the capitol commissioners to sell them have failed. Various small bids have been received but they were entirely inadequate to take care of the entire issue. As the bonds are taxable and bear such a small interest, they were not in demand. As a last resort the capitol commissioners asked the supreme court of the state to rule on the right of the commissioners to pay a commission for the sale of the bonds and that ruling has just been made. It legalizes the commission to be paid and in this way the commissioners hope to make the bonds an attractive investment. It is said that the bonds will now be advertised extensively in financial journals and that bids will be received for the issue so that work on the new capitol can be begun soon. Missouri's ancient capitol burned a year ago during a session of the legislature and accommodations must be provided for the next legislature which meets a year from now.

W. T. Auld Buys Controlling Interest in Omaha Bank

W. T. Auld, former president of the City National Bank of Lincoln, Neb., has bought the controlling interest in the Corn Exchange National Bank of Omaha and is to be elected its president. Joseph Hayden, former president, will retire from the work of directing the affairs of the institution except that he may retain a directorship. It is understood that Mr. Auld bought a large part of the stock held recently by Gottlieb Storz. Mr. Auld will remove his home from Lincoln to Omaha. He has been a banker in Nebraska for thirty years and is president of the State Bank of Red Cloud, which he founded twenty years ago; president of the Bank of Guide Rock, which he founded twenty-six years ago; president of the Central Bank of Kearney; director in several other banks of Nebraska and Colorado and re-

tains a heavy interest in the City National Bank of Lincoln. The present officers of the Corn Exchange National Bank of Omaha are: Joseph Hayden, president; J. W. Thomas, vice-president; W. C. Erwin, cashier; Thomas B. McPherson, James Langan, Ed. Meyers, J. C. Root and C. H. Pickens, directors.

Death of Peter Mortensen

Peter Mortensen, a pioneer resident of Nebraska and state treasurer of that state from 1902 to 1906, president of the First National Bank of Ord, Neb., since 1883 and one of the most prominent Republican politicians of Nebraska for a quarter of a century, died at his home in Ord on February 28th. Mr. Mortensen was a native of Denmark, and came to America when 26 years of age. He settled near Ord when it was a wild country and infested with Indians. He lived to enjoy great wealth and was one of the most influential financiers of the Central West. To the day of his death he paid regular visits to his bank in which he took great pride.

Oklahoma State Banks Achieve Victory

Oklahoma state banks have achieved a material victory in their contention that they should share in the deposits of funds derived from the sale of unallotted Indian lands. Heretofore the department of the interior has refused to recognize state banks when making deposits on the ground that there was no means of keeping close supervision of state institutions. Senator Owen, who for the past several months has been urging the equal recognition of the state banks with others, has insisted that owing to the strict banking laws of Oklahoma with the additional protection of the state guaranty law, the government should cease to discriminate, and he has won his case.

Nebraska Bank Guaranty Law

Ever since the Nebraska bank guaranty law was passed five years ago, some phases of it have been in constant litigation. What is believed to be the last suit of importance regarding the constitutional features of the law was that of the state against the Farmers and Merchants Bank of Oakland, Neb., in which the state has just appealed to the supreme court. At the time the bank guaranty law was passed this bank was operating under a state charter, but the law was held up by an injunction issued out of the supreme court. Before that case was decided and the law actually operative the bank had changed to a national bank. The legislature had also passed an amendatory law providing that state banks need not pay into the guaranty fund for the two years the

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law had been suspended, but this law did not exempt banks which had in the meantime been converted into national institutions. All such banks were sued by the state for the apportionment of the guaranty fund and the Oakland case was taken as a basis for litigation, the other cases to follow the verdict in this. The state lost in the lower court, which held that the amendatory law was discriminatory in that it took money from institutions which could never profit by its terms and exempted those which could, as the state banks had not been compelled to pay the assessment, the converted national banks could not be held.

Central West Notes

The city commission of Dallas, Texas, has decided to ask the city to vote an aggregate of \$1,300,000 in bonds for water works improvements, city hall, school buildings and fire stations. The date of the election has not been set.

The American National of El Paso, Texas, has purchased the \$40,000 bond issue of the county of El Paso for the erection of a court house. The accepted bid was \$40,605 and accrued interest, just \$1.50 less than that of Caffin & Crawford of Chicago.

The Citizens State of Marshall, Texas, which was organized about three years ago and has been in the same building with the First National of that city, has leased a new building which it will occupy as soon as it can be remodeled and new fixtures and furniture provided.

The holdings of President R. M. Turner, of the El Paso Bank and Trust Company, have been purchased by Frank P. Jones, of Silver City, New Mexico, who has assumed the presidency.

The controlling stock of the Clovis National of Clovis, N. M., has been sold by Henry J. Coors, former president, to Alex. and J. T. Shipley, bankers of Texico, N. M. Mr. Coors retires to practice law. Alex. Shipley has been elected president; Fred W. James, vice-president, and J. C. Nelson, cashier.

The comptroller of the currency has approved the conversion of the private bank of F. Gross & Co., at San Antonio, Texas, into the Gross National, with a capital of \$250,000. The officers are: Franz C. Gross, president; A. W. Guenther, vice-president, and Charles Duessen, cashier.

The Missouri Pacific Railway Company has applied to the Nebraska state railway commission for authority to issue \$6,415,000 of equipment funding bonds and the permission has been granted.

Ben O. Smith, one of the vice-presidents of the Farmers and Merchants National at Fort Worth, Texas, has been elected president of that institution following the retirement of former president, J. W. Spencer.

The Guaranty State at Paint Rock, Texas, has elected the following officers: R. T. Thrail, president; J. T. Ballard, J. D. McCollom, vice-presidents; Joe Swofford, cashier.

Fred Lubbe, former cashier of the Dillsboro (Ind.) National, has been released from the federal prison at Leavenworth, having served three years and eight months on the charge of having misused the bank's funds.

E. F. Emmett, Nebraska state bank examiner, who was offered a position as national

bank examiner, has concluded that he does not want the job, but prefers to keep the one he has with the state. A large number of persons had applied for his place as state bank examiner.

C. A. Bonds, former president of the All Night and Day Bank of Kansas City, which failed about two months ago, has been arrested on the charge of embezzling \$5,000 from the bank. Bonds pleaded not guilty and was released pending his hearing.

Chas. S. Gleed, of Kansas City, director of the Santa Fé Railway Company and vice-president of the Pioneer Trust Company of Kansas City, has been elected chairman of the board of directors of the Southwestern telephone properties of the American Telephone and Telegraph Company, succeeding Theodore N. Vail, retired.

The Farmers State of Tuttle, Okla., has been incorporated with \$15,000 capital. The Fidelity State of Cleveland, Okla., has also been incorporated with \$15,000 capital.

On Saturday, March 2d, all the banks in the state of Texas were closed in honor of Texas's Independence Day, which is a legal holiday in that state.

Federal Judge Cotteral at Guthrie, Okla., has overruled the motion of A. H. Stout, former president of the First National of Cherokee, and has sentenced him to serve five years in the Leavenworth prison on a charge of misapplying the funds of the bank. A new trial was granted A. J. Titus, a director of the bank, who was convicted jointly with Stout.

J. T. M. Johnson, president of the National Reserve Bank of Kansas City, is spending several weeks at Hot Springs, Ark., for his health.

Among the visitors in Kansas City's financial district last week were: G. R. McCul-

lough, First National of Tulsa, Okla.; Frank T. Ransom, Union Stock Yards National, Wichita, Kan.; J. B. Horney, Oklahoma State, Enid, Okla.; T. M. Walker, Atchison Savings, Atchison, Kan.; E. P. Metzger, German-American State, Topeka, Kan.; R. W. McCurdy, Home State Safe Deposit Company, Independence, Mo.; F. P. Martin, Oklahoma Stock Yards National, Oklahoma City, Okla.; M. L. Turner, Western National, Oklahoma City, Okla.; L. A. Brightwell, Bank of Mount Leonard, Mo.; W. P. Ponder and G. E. Geyer, First State of Mangum, Okla.; W. B. Kane, First National of Carterville, Mo.; T. C. Smith, Lawson Bank, Lawson, Mo.; Fred W. Pullman, Lynn County Bank, La Cygne, Kan.; W. F. Rankin, First National, Tarkio, Mo.; W. A. Davis and Hugh Branson, of the Commercial National, Nowata, Okla.; and F. M. Burris, Miami Savings, Miami, Mo.

BANKS A CENTURY OLD

The National City Bank of New York City is going to celebrate its one-hundredth birthday this year. It received its first charter June 16, 1812, and opened for business September 14, 1812. In commemoration of the event the bank is compiling and will publish in due course a book giving interesting data in connection with its history.

Another New York bank which rounds out its century this year is the Bank of America, which received its charter at the same time as the City Bank from the state legislature.

The Bank of New York and the Merchants National Bank each published their histories when they completed a hundred years of existence, the former in 1884 and the latter in 1903. These two banks, and the Bank of the Manhattan Co. (founded 1799), are the only banking institutions now in operation that were in existence already when the City Bank opened its doors.

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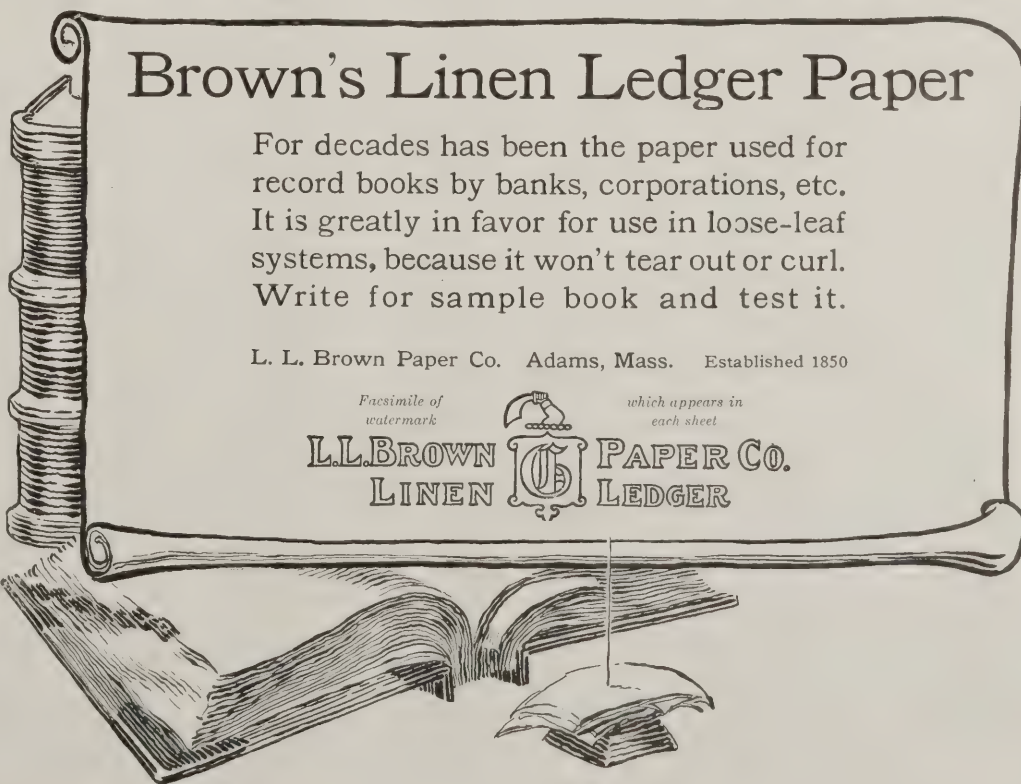
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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Minneapolis clearings for February, \$77,712,657, led E. W. Decker, Northwestern National, to say: "We are gratified, indeed, to see the improvement in the clearings. I believe the increase for February is a sure indication that the annual spring business resumption has begun. The increase for March probably will be greater than the \$7,000,000 for February." The clearings a year ago were \$70,861,772.

Clearings for February in St. Paul were \$44,087,933, as compared with \$36,552,849, a year previous. The gain is attributed partly to large payments of railroad gross earnings taxes through the banks; otherwise to conditions similar to those in Minneapolis.

St. Paul Banks Take Bonds at Par

St. Paul banks will take the city's \$100,000 water bonds at par. The best outside bid was 98.8 by the Harris Loan and Savings Bank in Illinois. Nominally the bid was par and accrued interest, but a stipulation was that the bidder be allowed to pay \$3,350 for printing and title examination, usually \$350. Other bids were from the Merrill-Oldham Company, Boston; A. B. Leach Company, Chicago; E. H. Rollins & Sons, Chicago. The bonds will be apportioned among the banks by the clearing house association. Last year the banks took \$200,000 high school bonds.

Minneapolis Bankers Returning from Winter Resorts

That Minneapolis bankers can come back is under demonstration this week. A steady stream of the financiers are on their way from warm winter haunts. J. S. Pomeroy, cashier of the Security National, is telling about his Havana experiences; C. T. Jaffray and Donald Mackerchar, vice-presidents of the First National, are telling tales of the golf links at Augusta, Ga., substantiated by Robert W. Webb, treasurer of the Minneapolis Trust Company; J. A. Latta, three months in foreign climes, is unraveling a story of three weeks aboard ship,

of the Bermudas, Barbadoes, the Canal zone, Jamaica, Cuba, Jacksonville.

Albert Lea Banks

Four banks at Albert Lea, Minn., two of them state, had a total of \$2,049,585 on deposit at last call, the largest recorded, and the loans were \$1,681,215. Sixteen other banks in the county have together about another million in deposits.

P. M. Kerst for Governor

P. M. Kerst, clearing house examiner in the Twin Cities, is another banker mentioned as a democratic candidate for governor. He was once state public examiner.

St. Paul Provident Loan Society

Seventy applications were made March 1st at the opening of the St. Paul Provident Loan Society, anti-shark. The total was \$2,500, an average of \$35 to \$36 to an applicant. The smallest loan was \$10, and the highest, \$200. Household property was the usual collateral offered. Salaries are to be accepted.

Professor Ebersole Addresses Office Men's Club

Professor J. F. Ebersole, economics chair, at the University of Minnesota, addressed the Minneapolis Office Men's Club at its last meeting on "Banking and Finance." He said the working out of the Aldrich plan depends largely on the individuals put in charge, and the public spirit of the men who are made directors. What seemed to him as the most important thing in three hundred years is the deposit banking system, which he believes business men scarcely appreciate. Ninety per cent of payments to-day are by check. "This is a significant thing," said the professor. "What the banker loans is not cash, but a deposit account. The whole system of 'cards,' the card house, as I call it, is based on confidence. When we get on the basis of a lack of confidence there is an enormous demand for cash for work, which brings the panic, a scramble

for money, runs on banks and clearing house certificates. There is need for a national organization of bank credit. I think the Aldrich plan in the main is a step in the right direction. I believe we need a national organization. We are too much subdivided into little districts. The present system of check deposits is economical of gold. The business men do not realize that fact. They think we are doing business on a cash basis and when a panic suddenly comes they want cash. It is like walking over the Washington Avenue bridge. When the people use it normally it is all right, but when they all try to go across at once it falls. The present system is all right, but we need confidence. The object of legislation is to produce confidence."

E. A. Merrill Back

E. A. Merrill, chairman of the board of the Minnesota Loan and Trust Company, is at his office again after five months in France and Switzerland. He renewed his French, enjoyed the attractions of the two countries and came back satisfied with Minneapolis.

Addition to Northwestern National

Having bought the former National Bank of Commerce building, adjoining, the Northwestern National has cinched the purchase by carving its name in gold letters in the Lake Superior sandstone panel over the street front reading, "Northwestern Bank Building."

Rotary Club Holds Annual Meeting

George Orde of the First National went out of office at the Rotary Club annual meeting at the Hotel Radisson in a blaze of glory. It was a gridiron affair, and Mr. Orde was one of the sober, white-wigged judges at the head table, who passed judgment on the condition of the tongue of each new officer, a test required before installation. Mr. Orde read a panegyric on his faithfulness to his duties, and on the sublimity of office as conducted by himself. The cash of the club remains at the

(Continued on page 25)

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Bankers Hearing on Agricultural Bills at Washington

The following bankers, representing both the American Bankers Association and the committee of bankers of the associated northwestern states, as stated in THE CHICAGO BANKER, were in Washington last week, appearing before the congressional committee on agriculture in an effort to induce the passage of the farm demonstration bill introduced by Congressman McKinley of Champaign, Ill., or of some bill of similar intent: William Livingstone, president of the A. B. A., Detroit; Joseph Chapman, Jr., Minneapolis, chairman of the committee; B. F. Harris, president of the Illinois Bankers Association, Champaign, Ill.; E. J. Curtin, president of the Iowa Bankers Association, Decorah, Ia.; L. A. Huntoon, Moorhead, Minn.; L. A. Baker, New Richmond, Wis.; Jos. G. Brown, of Raleigh, N. C.; Edw. Chamberlain, of San Antonio, Texas, and W. C. McDowell, of Marion, N. D. Upon arriving at Washington, the committee repaired to the White House, where they saw President Taft, who expressed his willingness to co-operate in the matter of urging congress to take definite steps in the matter of legislation looking to an appropriation and plans for farm demonstration work by the government. After leaving the presidential mansion, they went to the directors' room of the Riggs National, where a meeting of the joint committee was held. W. G. Edens of Chicago, secretary of the agricultural committee of the Illinois association, was made secretary of the joint conference during the Washington stay. At noon (February 28th) an adjournment was taken until two o'clock, when the committee again met in parlor 128 of the New Willard Hotel, at which time plans for extending this work throughout the entire country were thoroughly discussed. It was decided that different members of the committee would be willing to appear on the programs of the various state bankers' conventions wherever it was decided to introduce an agricultural number, and that where an invitation was extended Chairman Chapman and the committee would furnish speakers to present these important matters to the bankers. At four o'clock, upon the adjournment of the senate, Senator Carroll S. Page of Vermont appeared before the committee and the Page bill was taken up and gone through in its entirety. The committee adjourned at six o'clock, and that evening were the guests of Congressman McKinley at his home, where they had the pleasure of meeting the members of the house committee on agriculture, before whom they were to appear on the following morning. At ten o'clock the next day, February 29th, a hearing was had before the house committee at their offices in the office building of the house of representa-

tives. President Thompson of the Ohio Agricultural College, Columbus, chairman of the committee of agricultural colleges, handled the time and introduced the speakers. President Soule, of the Georgia Agricultural College, and President Butterfield, of the Massachusetts College, Amherst, spoke for the agricultural institutions. Joseph Chapman, Jr., and B. F. Harris spoke for the bankers' committees. Mr. Harris urged the members of the committees to rise above partisan consideration and give the people the benefit of this legislation, reminding them that it was a republican congress which originally had made the appropriation from which nine or ten agricultural states of the South now were receiving substantial benefits. The committee adjourned at 12:30, when the bank representatives had a committee meeting in Chairman Lamb's committee room, where Gov. Myron T. Herrick of Ohio, a member of the committee, appeared; he having been prevented from an earlier attendance on account of a previous engagement. Governor Herrick is keenly anxious to have the committee of the American Bankers Association develop a means of financing the farmers' interests along some such plan as has been developed in Germany, France and other European countries, and Messrs. Chapman, Harris, Chamberlain and Brown were authorized to investigate this matter carefully before the next meeting of the A. B. A. convention. Immediately after the adjournment of the committee meeting, the bankers repaired to the gallery of the house of representatives, where the regular agricultural appropriation bill was under consideration by the members of the house. Much interesting debate was heard on the various features of this important bill. On March 1st the bankers appeared before the senate committee on agriculture and forestry, in the committee room in the capitol. Senator Henry E. Burnham of New Hampshire presided as chairman. Senators Perkins, Page, Crawford, Gonna, Gore, Smith (S. C.), Smith of Georgia and Gardner of Maine were present. Dean Russell, of the Agricultural College of Wisconsin, first presented the views of the agricultural college people and was followed by President Soule of Georgia and President Edwards of the Agricultural College of Rhode Island. It seems that "Little Rhody" has had some experience with abandoned farms and with the need of national assistance in the matter. B. F. Harris spoke forcefully and from practical experience, and seemingly made a deep impression upon the senators present at this meeting. All of the various committees represented at this hearing were strong in their belief that for the present all must unite upon the slogan of practical field farm

demonstration work, and for the present, at least, postpone more elaborate programs. The Lever bill, introduced by Representative Asbury F. Lever, of the seventh South Carolina district, who resides at Lexington, and who as a boy lived on a farm, seems to be the bill that will meet with the greatest favor by the present congress. It is thought that the senate probably will agree to the provisions of his bill, as it relates to farm demonstration work. Hoke Smith, Georgia, reflecting the valuable experience he obtained while a member of Cleveland's cabinet, was most helpful and tactful in the matter of having a successful hearing before the senate committee. After the conclusion of the hearings the members of the committee called in a body on Oscar W. Underwood, chairman of the ways and means committee of the house, and found him thoroughly informed as to the benefits to be derived from farm demonstration work, as his own state of Alabama now is having a practical demonstration of the success of this phase of agricultural development. Mr. Underwood was exceedingly polite and cordial to the committee and stated that if the appropriation for the purpose desired was not made it would be because of the wish of the democratic party in the present session to confine itself to appropriations covering the estimates as presented to the various executive departments for the maintenance of governmental operation. The result of this trip to Washington left the impression that many besides bankers are taking a lively interest in these subjects. Public men are awakening to the necessity of doing something to improve agricultural education and stimulate the states to support plans for better farming methods. Certainly there was no enthusiasm lacking upon the part of the members of this delegation, and letters received by Chairman Chapman from members of the various state organizations throughout the country asking for information and speakers on convention programs indicate the interest being taken by the banking profession in these important subjects.

Mr. Chapman, accompanied by Mrs. Chapman, left Washington for a two weeks' vacation in Atlantic City. President Harris hastened to New York for a few days where he expected to meet his old friend, Col. Roosevelt. Other members of the committee returned to their respective homes after the adjournment of the hearings.

The First State Bank of Broken Bow, Okla. has been incorporated with a capital of \$15,000. The incorporators are W. J. Costilow, L. B. Whitfield, John E. Adams, J. M. Craig and J. T. Thorton of Broken Bow and C. A. Dennison of Idabel, Okla.

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

**Assets Over
\$16,000,000**

The Seattle National Bank

OF SEATTLE, WASHINGTON

SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

R. V. ANKENY, Cashier
J. FURTH, Chairman Board of Directors

Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

Pacific Northwest Banking News

Spokane, March 5.—Bankers, manufacturers, builders, merchants and real estate operators in Spokane and throughout the Inland Empire report that the first two months of 1912 were more active than a similar period in 1911, adding there is every indication that business records will be broken this year. Mayor William J. Hindley announces that work will begin within thirty days upon railroad, public and other improvements, involving more than \$9,000,000, and that every branch of labor in Spokane will be abundantly employed. The projects now in hand will occupy about two years. Business conditions in this city are reflected by the statements of banks, which report total deposits of \$30,900,810.

Thomas H. Brewer, president of the Fidelity National Bank of Spokane, said the local situation is better than at any time in the last two years, adding:

"More real estate is moving, crop indications are better and the condition of the mercantile trade has never been better at this season of the year in the last five years. There is plenty of moisture in the ground to assure the largest wheat crop yet harvested, and the farmers are in unusually good financial condition.

"There is a marked revival of business and that condition is rapidly spreading over the Northwest and we have felt it here. It seems to be the general impression that it will not make much difference because this is a presidential year nor who is elected president.

"The Spokane banks and business houses are in strong condition. I understand all of the established firms are making money and in volume their business is ahead of this season last year or the one before. From the banking standpoint large reserves are being held and there is plenty of money for legitimate uses."

Files Involuntary Bankruptcy Petition Against Idaho Bank

West Coast Securities Company of New Jersey filed a petition in involuntary bankruptcy against the Commercial Trust Company of Lewiston, Idaho, in the federal court there, February 24th. It is alleged that the assets of the company have been sacrificed to the Bank of Commerce of Lewiston, which institution was organized by the officers of the trust company. The plaintiff company, owned principally by New York people, claims to hold \$419,875 of the Commercial Trust Company's notes, alleging that \$249,000 worth of the Valley Lumber Company's stock was owned by the Commercial Trust Company and sold to the Bank of Commerce of Lewiston for \$10,000 and that a judgment against the Commercial Trust Company for \$15,000 was secured by the Bank of Commerce for \$3,000. J. M. Keating, president of the Commercial Trust Company, was also one of the controlling stockholders of the Bank of Commerce when it was organized. Elmer Eastwood, now acting receiver of the State Bank of Kendrick,

was secretary. The trust company also is defendant in an action filed in the district court by the Union National Bank of Philadelphia to recover \$20,000, and \$4,542 interest on two notes.

F. W. Patterson

F. W. Patterson has become district manager, with headquarters in Spokane, for the United States Fidelity and Guaranty Company of Baltimore, Md. He has charge of the territory east of the Cascade mountains and in northern Idaho. The Washington Trust Company is the local representative. The guaranty company is chiefly interested here in municipal bonds.

Dutch Banker in Spokane

P. M. J. Gilissen, a banker in Rotterdam and Amsterdam, who was in Spokane recently the guest of S. Barghoorn of the Netherlands-American Bank, said in an interview that the United States should not expect as much Dutch capital this year as formerly, the reasons assigned being the Italian war and "Americans playing too much politics." Continuing, he said: "As a result of the Italian war Europe has used more of its home money

at attractive rates than in several years past. That will keep the money at home, inasmuch as the purchasers of debentures now find they can purchase them at home at quite as good rates of interest as they were paid on American debentures. The war has increased the rates on bonds materially. Then, too, the American people will be allowed to play their politics for a while, and when they get ready to get down to business again Dutch money will be plentiful."

Will Organize Co-operative Investment Company

David C. Coates, commissioner of public works in Spokane, announced after a conference with heads of labor organizations that a co-operative investment company will be organized to handle city securities. The purposes of the institutions are as follows: Placing city interest bearing securities within the reach of the smaller investor, who can buy \$100 city bonds for \$10 down and \$10 a month, eliminating the profit the banks now make by discounting city securities and selling them to the investor at par, and protecting property owners against the 5 and 7 per cent discount on local improvement bonds, which causes contractors to add a similar per cent to their prices on city work.

James C. Cunningham Entertains

James C. Cunningham, vice-president and manager of the Union Trust and Savings Bank, entertained officers and employees of the institution at his home, 1015 Grand Boulevard, the evening of February 23d. The guests were received by Mrs. Cunningham and Miss Dorothy Cunningham in Colonial costumes. The rooms were decorated with American flags and pictures of George and Martha Washington.

Banking Notes

Executive council of the northeast group No. 2, of the Washington Bankers Association, comprising Adams, Ferry, Franklin, Lincoln, Pend Oreille, Spokane, Stevens and Whitman counties, met at Ritzville on Washington's birthday and visited various parts of the farming district. The council will hold its annual meeting in Spokane on May 8th.

Spokane Clearing House Association, of which Samuel Galland is president, decided at its last meeting to give financial assistance to 11 charitable institutions, the total amount being about \$2,500.

Twenty-five thousand dollars in school bonds to run 25 years at 6 per cent were authorized by a vote of 208 to 10 at Kamiah, Idaho, on February 24th. The school board has several offers to sell the bonds at par.

Clark Brothers and Klein Trust Company of Spokane report placing \$50,000 in local loans during the last month, most of the money being used in property improvements.

Total resources of the banks at Lewiston, Idaho, on March 1st, were \$3,697,324, as fol-



The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

—OFFICERS—

D. W. TWOHY, President
T. J. HUMBIRD, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

Guaranteed Irrigation Bonds. Guaranteed Water Works Bonds. Public Service Bonds. Municipal Bonds.	J. S. & W. S. KUHN INCORPORATED INVESTMENT BANKERS FIRST NATIONAL BANK BUILDING CHICAGO PHILADELPHIA	There never has been a day's delay in the payment of either the principal or interest on any bond we have sold.
---	--	---

lows: First National Bank, \$2,102,994; Lewiston National Bank, \$1,159,276; Bank of Commerce, \$435,053.

National Bank at Davenport, Wash., has moved into its new quarters. The building is modern and well equipped. The bank's resources are estimated at \$600,000. Among the stockholders are Aaron Kuhn, N. Fred Essig and D. M. Drumheller of Spokane.

Michael M. Cowley, a pioneer banker of Spokane, was toastmaster at the Robert Emmet Club's annual banquet the evening of March 4th, when William J. Bryan, of Lincoln, Neb., was one of the speakers.

Seattle

The call for a statement of conditions at the close of business February 20, 1912, found the deposits in Seattle banks lower than on December 5th, when the last previous call was made. The deposits showed a loss of about \$2,000,000. Deposits in Seattle banks always fall off at the beginning of the year. The decrease in deposits was met by a corresponding decrease in loans.

Figures compiled by John E. Price & Co. show that deposits totaled \$74,382,539.55, a decrease of \$2,207,987.66.

Loans stood at \$44,022,762.17, a decrease of \$3,277,500.90.

Cash and exchange stood at \$25,628,541.40, a decrease of \$226,863.28.

The following table shows the deposits and loans of thirteen of the Seattle banks:

Deposits

	Feb. 20.	Dec. 5.
Seattle National	\$ 7,872,225	\$ 8,518,632
Washington Trust	1,580,632	1,860,062
Scandinavian American	6,139,595	6,534,835
First National	2,129,011	2,273,681
Amer. Savings & Trust	1,328,199	1,447,838
National City	1,049,171	1,012,021
Metropolitan	909,730	852,822
Northwest Trust	688,972	640,243
State Bank	749,288	748,214
Northern Bank & Trust	588,128	545,278
People's Savings	380,130	342,309
Bank for Savings	340,762	295,405
University State	127,649	122,755

Loans

	Feb. 20.	Dec. 5.
Seattle National	\$14,280,477	\$14,628,665
Dexter Horton	9,010,769	9,517,456
Washington Trust	5,156,443	5,188,069
National Bank of Com.	11,654,277	12,044,487
Scandinavian American	9,486,140	9,548,247
First National	3,113,449	3,492,029
Union Savings	3,137,407	3,400,652
People's Savings	1,942,527	1,951,137
Metropolitan	1,312,060	1,347,012
National City	1,345,089	1,147,946
Northwest Trust	1,088,502	1,025,435
Amer. Savings & Trust	2,239,544	2,551,066
Northern Bank & Trust	797,406	810,804
State Bank	1,087,336	1,040,902
Bank for Savings	389,589	334,054
University State	283,863	290,341

Los Angeles

The reports by the national banks of Los Angeles, in response to a call made by the comptroller of the currency for a statement of conditions at the close of business February 20, 1912, indicate that sound financial conditions prevail throughout southern California. The figures show a large gain in deposits, the grand total now being \$62,072,067.71. This is largely in excess of any totals yet made public. It breaks all previous records. There has been a gain in available cash for the year of \$6,583,493.29, and the banks are now carrying the largest cash balances in their history.

NORTHWEST LETTER

(Continued from page 22)

First, however, as H. A. Willoughby, assistant cashier, was engineered into the treasurer-ship.

Root Elected President Stock Exchange

J. L. Root, Minneapolis Trust Company, has been elected president of the Minneapolis Stock Exchange. E. T. Chapman, of Stevens, Chapman & Co., and Bert Winter of the Union Investment Company are among the directors. The membership was raised from twenty to twenty-five. The calls will be four or five times a week instead of twice.

Banking News of Interest

The Sleepy Eye State, started thirty-two years ago, has been reorganized. Mrs. F. H. Dyckman, Orange, N. J., has sold her interest to O. W. Hagen, cashier for twenty-six years. Hans Mo, president, remains. Thirty stockholders are now on the list.

Corporations continue to assume form in Minnesota, month after month. In February the fees were \$6,795 on 106 corporations capitalized at a total of \$7,000,000. In January 91 corporations paid \$6,095.

John T. Gold, banker of Big Stone City, S. D., is dead at forty-nine years of age. He

was native of Davis, Ill. He had lived twenty-seven years at Big Stone, operated 2,000 acres of land, was president of the Gold Company State Bank, and the Albee State, S. D.; vice-president of the Marietta State, Minn.

W. F. MacLane, cashier of the Hennepin County Savings, is now a member of the directory of the Boys' Club. C. V. Smith, trust officer of the Minnesota Loan and Trust, has risen to the dignity of first president of the Twin City Alumni Association of Wabash College.

The Wheeler State, Dunn county, Wis., has started at \$10,000 capital. D. C. Coolidge, former member of the state assembly, is president, and A. Pederson is cashier.

C. Roy Adams, formerly editor of the United Banker, has become associated with the Corporation Securities Company. He was born in 1886 in Austin, whence have sprung well-known bankers; he graduated from Carleton College and got an A. B. from Minnesota in 1909. His doctor's thesis is to be on bank interest rates in the United States.

Eugene H. Paulson, Minneapolis, three years cashier of the Three Forks State, Mont., will sail March 5th to manage a cattle business with four other Montanians, in the Argentine.

Minnesota started the month with the paltry sum of \$1,555,000 in its coffers—a year ago with \$2,720,807. Total cash in all funds was \$3,670,750. S. A. Farnsworth, St. Paul, treasurer, has introduced the practice of checking with the banks every ten days. A book-keeping error of \$10,000 suggested the new deal. This occurred in a former treasurer-ship.

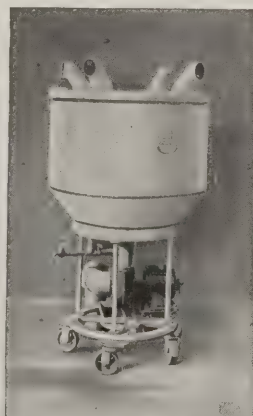
POWER COMPANY FOR THE OZARK

The Ozark Power & Water Company has begun the development of a large water power on the White River near Branson, Missouri. It includes a dam 50 feet high and 650 feet long with a power house and 15,000 horse power equipment. Transmission lines will be built to Springfield, Mo., and the Joplin district. The enterprise is financed by Henry L. Doherty & Co., bankers, of New York, and the engineering and construction is in the hands of the Ambursen Hydraulic Construction Co., of Boston.

UNION NATIONAL'S FOURTH DIVIDEND

Checks have been received at the offices of Receiver H. N. Morris, in charge of the affairs of the defunct Union National Bank of Oakland, Cal., for the payment of a dividend of 15 per cent. This is the fourth payment made since the bank was put in Morris' hand, and on payment of this dividend creditors will have received 85 per cent of their claims.

Comptroller Murray has approved the application to organize the First National of Iuka, Miss., capital \$25,000.



**A Clean, Cool Bank
Supplied with
Washed Air
from the
Sterling Air Cooler
and Purifier**

Gives the classy atmosphere
and dignity necessary to har-
monize with the architectural
surroundings.

We have designed a self-contained
portable air cooler and washer in
capacities from 200-2000 C. F. M.,
mounted on rubber shod wheels, and
of attractive appearance, to allow of
operation in the main banking room.
Apparatus shipped complete in-
cluding fan, motor (10-15 H. P.),
washing chamber and auxiliaries,
ready for operation, you to make
service connections only.

Apparatus provided with outlet
nozzles to throw air in all directions,
thus eliminating duct work, etc.

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Mrs. "Acme" Air Washer
129 Carpenter St. 416 Broadway
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The Sterling Air Cooler
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JOHN McHUGH - President
JOHN J. LARGE - V.-Pres.
W. L. MONTGOMERY, V.-Pres.
HENRY G. WEARE - V.-Pres.
F. A. McCORNACK - V.-Pres.
H. A. GOOCH - Cashier
O. D. PETTIT - Asst. Cashier
FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
BUSINESS AND OFFER
YOU EXCEPTIONAL
FACILITIES. CORRE-
SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa - Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
Collections and Bank Accounts

Largest Bank in Clinton
County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITORY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VEGTEN, President
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Des Moines, March 6.—All records were broken in Iowa bank deposits for the period between the call of November 15th and that of February 5th for the state and savings banks and trust companies. The report of State Auditor Bleakly shows that in that short period deposits increased \$12,485,441.73. The report shows that in the year which ended with the February call, the deposits increased \$9,728,273.95. These figures caused some little surprise among bankers because of the drain that usually occurs about the first of March, which is the date for the transfer of farm property throughout Iowa, and it was anticipated that the deposits might show a falling off instead of breaking the record. Another pleasing feature of the report is that the banks increased their reserve from 16 per cent at the November call to 21 per cent for the February call. State Auditor Bleakly is pleased over the decrease in overdrafts. This decrease in the three months' period was \$2,286. The last preceding report showed an increase in overdrafts. It is one of the hobbies of the state department to keep down overdrafts. The total assets of the three classes of banks were increased by \$11,976,112.48 and totaled \$321,877,173.14. The amount due depositors is shown to be \$265,344,316.96. The report shows that there are now 716 savings banks, 281 state banks, and 14 trust companies in Iowa. This is an increase of 8 since the November report and 47 in the past year. The call for the national banks was issued last week. The report for the state and savings banks is regarded as indicative of a similarly good showing for the nationals.

Increase in Clearings

Keeping pace with this showing the report of the Des Moines Clearing House Association for the month of February shows an increase of \$1,307,466.65 in clearings over the clearings for the corresponding month last year. The extra day in the month helped some, but the gain is large excluding that day. The total clearings for the month this year were \$16,759,062.41.

Law Committee in Des Moines

The visit of the law committee of the American Bankers Association to Des Moines last week was an event of unusual interest. There were four of the committee present, Chairman Pierre Jay, vice-president of the Bank of Manhattan, New York; John F. Hagey, assistant cashier of the First National, Chicago; Isaac H. Orr, director of the St. Louis Union Trust Company, St. Louis; Lynn H. Dinkins, president of the Interstate Trust and Banking Company of New Orleans. Thursday afternoon, the committee secured the opinion of numerous bankers upon questions relating to savings banks legislation, as applicable to nationals. The bankers who thus gave their views were not backward, and the stenographic reports will be somewhat voluminous. In the evening the Des Moines Bankers Club entertained the

guests at a supper at the Chamberlain. Country bankers who attended the meeting included O. P. Miller, of Rock Rapids; G. A. Worth, of Indianola; N. B. Wheelock, of Colfax; T. R. Watts, of Grand Junction; M. M. Head, of Jefferson; C. M. Brenton, of Dallas Center; Parley Sheldon, of Ames.

The Iowa Convention

The arrangements for the Iowa Bankers Association convention at Cedar Rapids are making rapid progress considering the time of year, and affairs are well in hand. It is practically certain that the convention will be held June 20th and 21st. Secretary P. W. Hall, of the I. B. A., was in Cedar Rapids conversing with the bankers, and that date seemed most nearly satisfactory to the bankers there. It is the expectation that either Franklin MacVeagh or Lawrence Murray will be the chief speaker at the convention. Efforts are being made to secure one or the other of them for the sessions. Invitations have also been extended to W. S. Whithan, of Atlanta, Ga., and J. A. S. Pollard, of Fort Madison, Iowa. These two bankers are breezy, and it is hoped to secure both of them. The attendance is expected to be large, as the membership of the association is constantly increasing, and Cedar Rapids is easy of access from all portions of the state.

H. C. Gates for Treasurer, I. B. A.

Another candidate for treasurer of the state association is in the field. H. C. Gates, cashier of the Ladora Savings, who stepped aside last year and gave W. G. C. Bagley of Mason City a clear field, has announced that his hat is in the ring. Mr. Gates is a popular banker and he has many friends who will work for him. Frank Epperson of Eddyville and E. L. Stickney of Moulton are other candidates for the office. Charles Shade, president of the First National at Rock Rapids, is the only candidate for president so far as Des Moines bankers know. At the meeting of Group 11 at Burlington, a resolution was passed presenting the name of D. H. McKee, president of the German Savings of Davenport, as an aspirant for a place on the Executive Council of the American Bankers association. Group 7 at Toledo-Tama endorsed J. M. Dinwiddie of Cedar Rapids for a place on the Executive Council of the A. B. A.

Assessment of Moneys and Credits

Another decision on the assessment of moneys and credits has been handed down by Special Counsel Robbins of the attorney general's office. Mr. Robbins opines that contracts for farm renting become taxable depending upon whether the contract binds the owner to turn over the farm to the prospective tenant March 1st. If so, such contract should be assessed as moneys and credits against the owner of the land. If the contract contains an option providing that the prospective tenant may take the farm March 1st by

The May State Bank of May, Okla. has been incorporated with a \$10,000 capital. The incorporators are V. B. Browns, S. T. Morey, W. R. Phillips and R. O. Allen, all of May.

paying the stipulated sum, then the contract must not be assessed moneys and credits in the hands of the land owner.

New Officers Group 11

H. S. Young of Winfield will head Group 11 for the next year. He was chosen chairman at the meeting at Burlington, February 22d. W. F. Wilson of Washington was elected secretary. The executive committee will consist of A. F. Anderson, Mediapolis; R. W. Mix, Crawfordsvill; J. F. Diehl, Wapello; E. R. Cochran, Keokuk; W. R. Buchanan, Mount Union.

Secretaries to Meet in Chicago

Secretary P. W. Hall will go to Chicago March 15 and 16 to attend the meeting of the secretaries of the associations in the central states. It is expected that the secretaries of the associations for Nebraska, Iowa, Missouri, Indiana, Minnesota, North Dakota, Wisconsin, Michigan, Ohio, Kentucky, South Dakota and Kansas will attend the conference which is to discuss affairs of special interest to the bankers of these states.

Death of James G. Hammond

News has been received in Des Moines of the death of James G. Hammond at St. Paul. Mr. Hammond was well known to the bankers of central Iowa. He was formerly president of the New Sharon State at New Sharon and was connected with the Oskaloosa Savings at Oskaloosa. He has taken an active part in financial affairs in Mahaska county and his death was a source of keen regret among old friends in Iowa.

Buried Money in Lot

Men with teams and sweepers are making an exhaustive search in a vacant lot at Bedford for a churn in which it is thought J. J. Littell of that city concealed a sum of money supposed to be large. Shortly before his death, a few days since, Littell told a neighbor that something of interest was buried in the lot. He gave no further clue and as he was supposed to be wealthy and no money was found in the banks, the treasure hunters believe they will eventually find the churn. At this writing the efforts have been in vain.

Alleged Swindlers Held

Governor Carroll has not as yet decided whether he will turn three Shenandoah men of whom Elbert Read, the well-known southern Iowa banker, is one, over to the authorities of Marseilles, Illinois. The three men have been indicted in Illinois in connection with an alleged swindle of which they say they are entirely innocent. The evidence before the governor indicates that the three men were trying to protect the commercial interests of Shenandoah, whereas the commercial interests of Marseilles aver they were giving them the worst of it on a factory deal. The governor will await an opinion from the attorney-general before deciding whether to honor the requisition papers.

Council Bluffs Banks

Council Bluffs bankers are proud of the fact that figures compiled following the recent state and government bank calls show the deposits in the institutions there total \$6,888,192.39. The banks of Council Bluffs do an enormous business in western Iowa and their influence is felt in many counties in that section of the state.

Wins Case

Andrew Kaus at Ida Grove has won his case to recover an insurance policy which he had assigned to the First National at Holstein. Kaus received a fracture of the spine in an automobile accident last summer. He claimed that he assigned the policy to the

bank through fear that the institution would make trouble for him on the charge that he had misrepresented things in securing a loan. By the terms of the policy, Kaus receives \$50 per week as long as he remains in his present helpless condition.

E. J. Curtin in Washington

E. J. Curtin, president of the Iowa Bankers Association, has been at Washington as a member of the Agricultural Committee of the American Bankers association. Joseph Chapman of Minneapolis is chairman and Mr. Curtin agrees with Mr. Chapman that the improvement of agricultural conditions is the greatest wealth producing innovation at present within the power of the people.

Banking Notes

The City Trust and Savings of Boone has filed articles of incorporation with the secretary of state. The capital stock is \$100,000. The incorporators are Louis Goeppinger, C. E. Reis and R. T. Duckworth, who are president, vice-president, and cashier respectively.

The Peoples State at Guthrie Center has filed articles giving a capital stock of \$50,000. F. M. Hopkins is president; H. J. Hess is vice-president and W. K. Hamilton is cashier.

The Bank of Gilman, owned by Marshalltown parties, was burned with a loss of \$4,000.

The first accident in connection with the building of the new Central State block in Des Moines happened last week when one of the iron workers fell and received a broken leg and a bruised head.

William Woodward, president of the Hanover National of New York, was in Des Moines last week visiting Des Moines bankers.

Among out of the city bankers seen in Des Moines recently were President Ed Scott of the Security Savings of Cedar Rapids; President O. C. Miler of the Lyons County National, Rock Rapids; Cashier Fred Gray of the Citizens Savings, Casey; assistant cashier, E. A. French of the Black Hawk National, Waterloo.

C. B. Murtagh has been elected cashier of the County Savings at Algona.

Sioux City

By JOHN J. BIDDISON

Edw. T. Kearney will open his new bank, the Mid-West, on Monday, March 11th, according to his present plans. Fixtures are now being put into place, and Mr. Kearney believes nothing can hinder the opening on that date. Miss Rose McKeevey, of Jackson, Neb., who was teller in his Bank of Dakota County, at Jackson, prior to his retirement from active business, will hold a similar position in the Sioux City Bank. Who the other officials will be, Mr. Kearney has not yet divulged.

Conditions Excellent in Northwestern Iowa

Every banker of northwestern Iowa to-day is an optimist. He has reason to be. The late fall rains, the early frosts, the severe freeze of the winter, the heavy snows, the late and gradual thaw, the slow opening of spring, all join to make for a good crop year, and that is all this country needs to be overflowing with milk and greenbacks. The only unfavorable outlook is in the poor seed corn supply, much corn being unfit for planting. The Commercial Club has taken an active hand in campaigning among the farmers against the planting of any corn that has not been tested and found good. Large numbers of circulars are being sent out, some in the hands of commercial travelers, to get them into the small towns and on the farms. That the farmers appreciate the information is attested by the numer-

ous calls received for copies of this circular. The Omaha Commercial Club has gone still further and sent out "seed corn special" trains, to preach the gospel of good seed. If the farmers can be made to see that they are doing no more than look out for No. 1, when they accept this free advice, the season will start most auspiciously.

Banking Notes

A statement of the affairs of the Henderson State Bank, of Wessington, S. D., which was closed by the state examiner, shows that the assets total about \$85,000, and the liabilities, \$55,000, not all of which is at present realizable in cash. There is a large amount of accrued interest that will materially help. It is said to be practically certain that depositors will be paid in full.

A certificate of deposit issued by the First National Bank, of Deadwood, S. D., turning up in the possession of a man named Demorest, in Denver, is the only clue to the whereabouts of B. C. Spindler, a well known stock rancher near Spearfish, S. D., who has mysteriously disappeared. He went to Hoehne, Colo., two weeks ago and has not since been heard from. Demorest undertook to cash the certificate, which was issued to Spindler.

Hector MacLarty, teller in the First National Bank, has resigned to go into business with the Sioux City Specialty Company. His place is taken by Rudolph Knittel.

F. B. Parker, assistant cashier of the Lyon County National Bank, Rock Rapids, Ia., expects to leave about March 15th, accompanied by his 14 year old son, for a visit in the Panama Canal zone.

Among the Visiting Bankers

H. C. Graff, cashier of the Exchange Bank of Granville, Iowa, was in Sioux City Wednesday.

Herman Fortin, cashier of the Farmers Bank of Salix, Iowa, was transacting business in Sioux City Wednesday.

F. C. Redfield, assistant cashier of the Miller & Chaney Bank, Newell, Iowa, attended the automobile show Tuesday.

S. S. Davenport, cashier of the Citizens Savings Bank, Lester, Iowa, was in Sioux City Wednesday.

O. G. Kemp, cashier of P. G. Riedesell & Co., Bankers, Oto, Iowa, was in Sioux City Wednesday.

W. W. McElrath, president of the Merville (Ia.) State Bank, was in Sioux City on business Wednesday.

J. S. Wilson, cashier of the First National Bank of Hull, Iowa, was in Sioux City last Wednesday.

G. A. Manwaring, vice-president of the Farmers National Bank of Inwood, Iowa, attended the automobile show in Sioux City Thursday.

E. A. French, assistant cashier of the Black Hawk National Bank of Waterloo, Iowa, was in Sioux City on business Thursday.

John C. Clary, president of the Commercial Bank, Hornick, transacted business in Sioux City Thursday.

I. C. Edmonds, president of the Exchange Bank, Marcus, Iowa, was at the First National Bank on business Thursday.

G. A. Lindgren, president of the Alcester (S. D.) State Bank, was transacting business in Sioux City Thursday.

H. W. Heinrichs, vice-president of the Security Savings Bank, Rapid City, S. D., stopped in Sioux City on his way home from an eastern trip Tuesday.

MICHIGAN AND COLORADO BANKING COMMISSIONERS

(Continued from page 9)

and clerks, of such bank, corporation, firm, or individual, touching the matters he or they shall be authorized and directed to inquire into and examine, and to summon, and by attachment compel the attendance of any person or persons in this state to testify under oath before him or them in relation to the affairs of such corporation, partnership, firm, or individual. The commissioner making such examination shall make and file in the office of the bank commissioner, a full and detailed report of the condition of such bank. Any person making such examination who shall knowingly and wilfully make any false or fraudulent report of the condition of any bank which shall have been examined by him, with the intent to aid or abet the officers, owners, or agents of such bank in continuing to operate an insolvent bank; or for the purpose of injuring any bank, its officers, owners, or agents, or if any such person shall receive or accept any bribe or gratuity given for the purpose, or who shall neglect to make an examination of any bank by reason of having received or accepted any bribe or gratuity, he shall be deemed guilty of felony, and on conviction thereof shall be imprisoned in the state penitentiary for not less than two nor more than ten years; provided further, that at any examination, there may be present two of the directors, or owner or owners of the bank undergoing said examination; and it shall be the duty of the examiner to incorporate in his report herein referred to the name or names of the directors or person or persons in whose presence the examination was made.

Law Fails to Provide Penalties

The above section imposes a penalty upon the bank commissioner or his deputies for making a false or fraudulent report of the condition of any bank. Other portions of the banking law subject the commissioner, his deputy, or employees to penalties for disclosing information.

Other sections provide for the punishment of bank officers for failure to make reports, to file bonds, for perjury, for receiving deposits when insolvent, and taking directly or indirectly commissions, etc., as an inducement in making loans, and also for embezzlement and for conducting a bank without proper authority.

The law imposes many restrictions upon banks, but provides no punishment for failure to observe them. A bank under our statutes can continue to do business should its capital unquestionably be impaired to the extent of ninety-nine per cent, and so long as it is not insolvent as defined by section 340, which reads:

A bank shall be deemed to be insolvent when the actual market value of all of its assets and property is insufficient to pay its liabilities other than its own capital stock, or when it is unable to meet the demand of its creditors in the usual customary way.

Or has made a false report or has voluntarily placed its affairs under the control of the bank commissioner, it cannot be legally closed.

Unfairness in Escaping Taxation

It is certainly most unfair that incorporated banks have been compelled to pay taxes and compete with private banks, which until the enactment of 1907 practically escaped taxation entirely, notwithstanding the fact that many private banks were strong and in effect had a capital.

I would welcome the opportunity to support a movement in favor of uniform state banking laws and a uniform guaranty of deposits, applicable not only to state institutions but in-

cluding national institutions. I believe that the effect of a national guaranty of deposits would be of more benefit to the banking and financial conditions than any legislation now anticipated. The adoption of the national reserve association plan should have a tendency toward uniform state banking laws.

Powers a Commissioner Should Have

The powers that a state bank commissioner should possess which are not provided in our present law should extend to the closing of any bank that violates any section of the law; he should have power to determine whether or not banks should be organized in communities which apparently already possess sufficient banking facilities; he should possess the power, in case of dispute with banks as to the value of questionable assets, to call to his assistance a board of unprejudiced appraisers, realizing the difficulty of handling a situation arising from honest differences between the examiners and the bankers over the value of doubtful assets. To my mind, this is one of the most important duties of a state banking department. He should have the power to compel an assessment to be made on stockholders to restore impaired capital. I am

Yours very truly,

E. W. PFEIFFER.
State Bank Commissioner.

Effect of the Straw Vote

As showing which way the wind blows and the preference of the public for banks under supervision, the 21 year old "Hyde Park Bank," owned chiefly by C. L. Norton and operated by Norton & Saunders, is about to convert to a state bank. The new title will be Hyde Park Trust and Savings Bank, with capital of \$200,000 and surplus of \$50,000. Location on 53d Street near the Illinois Central will remain unchanged.

The business of a real estate firm (J. A. Carroll & Company) in the same neighborhood is to be converted about May 1st into the Hyde Park State Savings Bank. It will be located at 53d Street and Lake Avenue. There still is another private bank in the neighborhood known as "Central Hyde Park Bank." The name Hyde Park is rather confusing under the circumstances.

Opposition to Private Banking Act Disappearing

All opposition to the private banking act, which was so manifest on the part of the great number of private Italian and other foreign bankers, has almost entirely disappeared, and the office of the state board announces the daily receipt of a great number of applications for licenses in conformity to the act. Among the most recent is that of Melchiorri Bros., who led the opposition in the original outbreak and were conspicuous in their resistance to the enforcement of the act.

Making Banks Safe

Milwaukee, February 28.—To the Editor: How can people put money in such a "bank" as Mason's? They must know that no such "bank" can live on less than \$100,000 checking deposits, or \$300,000 savings deposits, when it has no other business. Where the "bank" has other business, it may live on \$50,000 deposits, but the temptation is enormous.

The expenses of a bank are at least \$4,000 a year for rent, taxes, cleanliness, heat, light and help. If a banker has \$100,000 deposits, he cannot lend more than \$60,000, because his customers any day may draw the difference, especially on Saturdays, and not deposit again until Monday. If he gets 7 per cent on \$60,000 he does well. At least \$1,000 a year will he had debts, clean losses, giving him net \$3,200, or \$800 a year in the "hole." A 25 per cent reserve is all right for large banks, but 40 per cent is not enough for small ones. One

can see that such a "banker" must rob his depositors.

Such small banks are enormous conveniences, necessities even. Why not allow all city banks of high standing to establish branches every few blocks? No harm will be done, and it will kill the small private banker, who is often a confidence man.

C. ARYM.

Only One Change in Ohio Bank Law

The banking laws of Ohio will be changed in but a single provision, according to prediction made by members of the banking committee of the constitutional convention. Double liability will be placed upon the stockholders of state banks. Delegate David Cunningham, of Harrison county, a lawyer and banker, declared that this one provision would make the banking laws of Ohio the best in the United States.

After Excess Loan Banks

Lawrence O. Murray, comptroller of the currency, is after the banks which make excess loans. He has determined to examine them four times a year instead of two, and proposes to make the directors themselves pay any losses. He says that from 14 to 19 per cent of the banks have been making excess loans. He has issued an order.

"Blue Sky" Law for Illinois—Perhaps

B. F. Harris, president of the Illinois Bankers Association, and vice-president of the First National Bank at Champaign, Ill., has mapped out a working policy for the association that is likely to establish a record for aggressiveness and usefulness for that organization. One especially important matter will be to endeavor to bring the private banks of the state under state examination. Yet important as that is, there is another matter of greater importance which Mr. Harris hopes to have the association work for, namely, some such law as the "Blue Sky" law of Kansas, compelling corporations selling stock to take out a state license. The Commercial West recently printed a comprehensive article descriptive of the workings of the Kansas law. The Kansas law saves the people of that state millions of dollars every year—millions of dollars that would otherwise go to promoters of fake companies.

The enactment of the law was brought about entirely through the efforts of the bank commissioner; and the law is strictly enforced. The consciousness that he is saving several millions of dollars a year to the people of his state, out of which they would otherwise be defrauded, would seem to be sufficient reward to induce some influential man in every state to strive for it. Success to President Harris of the Illinois Bankers Association in his campaign to protect the inexperienced investor and to eliminate the unscrupulous promoter! We hope that Minnesota will be next in an effort to enact a similar law.—Editorial in Commercial West.

BROADWAY TRUST CO.

Following its absorption of the Savoy Trust Co. of Manhattan and the Flatbush Trust Co. of Brooklyn, the Broadway Trust Co., New York City, has increased its capital from \$700,000 to \$1,500,000, and filled its board of directors, which now consists of the following: F. A. M. Burrell, of Charles A. Schieren & Co.; M. M. Belding, Jr., Ira Leo Hamberger, Eugene S. Benjamin, William C. Breed, James Clarke, M. M. Belding, Sr., James Cochran, Warren Cruikshank, M. J. Drummond, Emanuel Gerli, Robert L. Gerry, Walter M. Gladding, William Halls, Jr., Frederic G. Lee, John Z. Lott, Adam K. Luke, Edwin P. Maynard, James E. Nichols, Lewis E. Pierson, Walter Scott, Theodore F. Whitmarsh, Frank W. Woolworth, and Peter B. Worrall.

INTEGRITY OF AMERICAN BANKERS ASSOCIATION ASSAILED

(Continued from page 19)

of further internal credit-expansion would aggravate, not relieve, the disease.

As a strong object lesson to us, Germany is in the throes of serious trouble over excessive acceptances, as it is more largely practiced there than elsewhere in Europe. The great Imperial Bank has asked the indulgence of large creditors, and banks in the United States have loaned money, estimated at \$150,000,000, throughout 1911 to German banks at 5 to 7 per cent. Even 20 per cent was bid by German borrowers in the New York money market last December. Were it not for the right of the Imperial Bank to issue currency in excess of \$112,000,000 by paying a 5 per cent tax on it, to cover just the flexibility we need, in all probability Germany would be in a state of collapse similar to our 1907 catastrophe. Therefore to allow our national banks generally to further expand, by lending them credit, is, as a conservative measure, simply unthinkable. The London method is the only possible excuse for it.

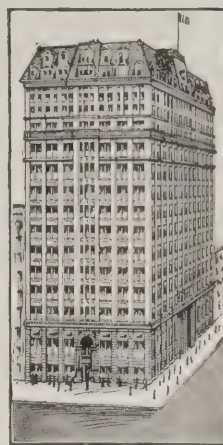
Other Points Covered

The speaker denied that so many branch associations are necessary, except as a political expedient. He then went to reserves and note issues, on which he said:

If we are ever to win the world's financial center for New York, we must never allow the National Reserve Bank to hold, as specified reserve, anything but the world's standard gold, or equivalent gold certificates. Under the proposed plan "or other money" means, as reserve, 550 millions of silver and 346 millions of legal-tender paper. These might be permissible for holdings, only in excess of required reserves. As the United States deposits its funds in the National Reserve Bank, and as United States bonds, legal tenders, etc., are payable in gold, all obligations of the reserve bank should unequivocally be payable in the world's acknowledged standard, or otherwise only at the option of the holder thereof. Further, national banks are not allowed to hold their own notes as reserve, but the bill permits them to hold national reserve notes for that purpose. The trend of this whole process is to inflate our currency and undermine the metallic foundation for our great superstructure of credit. We have fought a good fight and won the gold standard, and a large stock of gold has come to us in the natural course of trade in response to the well known principles of the so-called Gresham Law and Monetary Science, as expounded by Dr. Adam Smith, Ricardo, Jevons, Sumner and many other eminent economists. Have we lost sight of that oft quoted maxim: "That rich countries will have all the coin they need, providing no impolitic act of legislation interferes to force it out of circulation by the injection of inferior currencies"? We have now outstanding 1,000 million dollars of gold certificates, which is equal to gold and saves abrasion. This gold ought to be transferred from the treasury department to the National Reserve Bank—and its certificates substituted—as an object lesson of our strength to cope with trouble. Also to cement the affections of all the people in the notes, the same as the Bank of France notes do for France.

High Prices

The world is now agitated over high prices partly caused by the wonderful production of gold in the past twenty-five years, which has exceeded in quantity the world's gold production since the discovery of America. In view of this it is our bounden duty, to limit running the printing press to supply a fictitious substitute, except in emergencies to prevent the paralyzing effects of cash suspension by



What These Burroughs Machines Do

is what caused the National Bank of Commerce in St. Louis to use only Burroughs machines for 18 years. That is why they have gradually built up their equipment from 1 machine in 1894 to 81 machines today.

"It has always been the policy of this bank to try every time-saving machine put on the market," says Mr. H. C. Burnett, assistant cashier in charge of equipment. "Notwithstanding that, we now own 81 Burroughs and no straight adding machines of any other make."

This \$18,000,000 concern has standardized on Burroughs machines because they give the best service, the highest efficiency per dollar expended.

They don't buy machines, but what the machines do. After 18 years they are convinced that the Burroughs Company sells not mere machines, but adding machine service.

Burroughs service means something tangible—Inventions Service,

which, as Mr. Burnett says, "spares no pains or expense to give the user what he wants."

Systems Service, which helps you to make the most profitable application of the machine to your bookkeeping or cost work.

Inspection Service, which takes care of you no matter where you are or how small your investment in a machine may be.

The Burroughs Line is composed of machines for handling every kind of figures. You can standardize your equipment in every department on a Burroughs Service basis, and save money at every point.

Let us show you how, without expense or obligation on your part. Also ask for our SERVICE BOOK—" \$300,000 a Year."

BURROUGHS ADDING MACHINE COMPANY
65 Burroughs Block, Detroit, Michigan

Makers of adding and listing machines, listing and non-listing calculating machines—86 different models in 492 combinations of features—\$150 to \$950, easy payments if desired.

TO do every reasonable thing that will make every Burroughs User a Booster—that is the end and motive of Burroughs Service



banks. Heed the warning or compound the trouble.

Therefore, give us a National Reserve Bank that will be our servant and not our dictator; that will hold our reserves and not dissipate them in competition for loans with present reserve correspondents, to the end that aid may be vouchsafed us under undue pressure; that in emergencies can expend currency issues, and thus prevent cash suspensions by banks, with their train of resulting evils, but with a high tax on extra currency issues to force retirement as soon as troubles cease. Give us a bank that under no circumstances will undermine our independent banking system, or serve to inflate either currency or credit. To quote an eminent authority, "We certainly cannot cure defects by opening numerous doors to additional dangers." But I am optimistic enough to believe that our statesmen by eliminating objections raised can obtain through a National Reserve Bank sufficient penalized flexibility of currency as a safety valve to our whole banking system, that will prevent cash suspensions by banks, as the only needed link to perfect our chain. If this cannot be accomplished, then limit national bank note is-

suages to amounts now outstanding. For emergencies—perfect the Aldrich-Vreeland Act as the next best thing, which now is sufficiently effective to accomplish this great end without the evils herewith enumerated.

My only apology for utmost frankness is, that material facts may not be covered under a bushel. This is an epoch-making measure and the full effulgence of the lamps of experience, and the whole truth, should guide us against pitfalls. May we nobly succeed and thus perfect as far as possible the best banking system in the world.

After dynamiting the vault of the Bank of Dill City, sixteen miles northwest of Hobart, Okla., during the night of February 21st, robbers stole horses and escaped with \$11,000 in currency. A blinding snow storm retarded pursuit.

Independence, Ore.—A new bank is being organized by C. W. Irvine. Mr. Irvine has resigned as cashier of the Independence National Bank and will take the cashiership of the new bank.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

BANK FIXTURES FOR SALE

FOR SALE—About 40 feet marble fixtures, practically new. Low price. Quick delivery. Can be changed to suit. See sample in this office. Send diagram of your room. For particulars address or call CHICAGO BANKER OFFICE, 407 Monadnock Block, CHICAGO

FOR SALE—Miscellaneous

1-A Reflex, focal plane shutter, Celor six-inch lens. Cost \$84.50. Like new, \$45.00. Address, X-44, Chicago Banker.

1-A Graflex, 1C. Tessar lens, focal plane shutter (new out of stock), value, \$101.50. Sell, \$85.00 Cash. Address, X-55, Chicago Banker.

4x5 Goerz-Argo, latest model, Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$165.00, and like new, \$75.00. Address, X-66, Chicago Banker.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

nience and facility for progressive, up-to-date banking. He guarantees satisfactory service.

"If you appreciate having your business handled in an intelligent, conscientious manner, our equipment and service will please you—Arthur Reynolds, president." This is the neat introduction to the February statement sent out by the Des Moines National Bank. The deposits are five and three-quarters millions.

MR. REYNOLDS still is in Pasadena, and having a good time. Charles L. Farrell of Newark, president of the Essex County National, has been in Pasadena also, and Mr. Reynolds had great pleasure in showing the New Jersey banker some of the mountain passes in his big six-cylinder car. Mr. Reynolds is an expert automobilist and an enthusiast on Spanish dinners and other rare and odd confections.

MR. FARRELL was in Chicago a few days ago on his way "back to work." He was looking fine and said he had a "jolly time with Arthur." Mr. Farrell reports that Mr. Reynolds seems to be in favor of some improving changes in the annual convention arrangements, whereby the business of the association will not be mixed up with the speaking and discussion, which is customary.

MR. REYNOLDS feels that a business session could be had at which all those interested in matters coming before the convention could arrange to be present. Then there might be a speaking session at which all those who were interested in the papers could attend. Neither class of attendants then would be obliged to sit out an uninteresting (to them) part of the program, in order to be present for the feature in which they are interested.

IT is believed that some such change as this would add interest to all of the sessions, and encourage attendance. Detroit furnishes innumerable interesting and attractive sidetrips over the Falls; short excursions into Canada, up the river and elsewhere. If the sessions are properly divided and classified, the visitors could take advantage of many of these opportunities without losing that part of the proceedings in which they wish to participate.

NO particular support has come to Mr. Buck's suggestion of reorganizing the whole business system of the association; the present plan is thought to be much more democratic and agreeable.

IT seems to be quite certain that there will be an agricultural number, and perhaps an entire session in the program of this year. That matter probably can be decided at the Briar-

cliff meeting, which begins on May 6th. Everyone recognizes that when a committeeman has put in months of hard work on a proposition he likes to appear before the convention and read his report. Regardless of how much he is entitled to do this, however, this is the most doleful part of the proceedings to the average attendant. Many of the committeemen take up the time of the convention with long, technical papers indifferently read, and in a voice which cannot be heard, sometimes for an hour without a break. These canker spots deserve the immediate attention of the association doctors.

FURTHERMORE, the big association might learn a useful lesson from many of the state secretaries, where the time which a speaker is permitted to occupy is fixed in advance and carefully adhered to. We do not wish to mention the secretaries who made this plan effective, but bankers generally know about it. It should be adopted into the big association and persisted in.

WHAT everybody wants is that the A. B. A. shall continue to be a great, growing, workable organization that can and will accomplish great things, both for the banking interests and the public. All purely personal interests should be barred and the greatest good for the greatest number should be the only business policy.

MANY of the bankers are strenuous advocates of the new gospel of agriculture and vocational education. Agriculture is the backbone of all business and bankers know that if farmers are properly educated the production of the soil can be increased wonderfully, and the nation will prosper in like proportion. It is believed generally that children of to-day have little or no idea of the practical application of what they learn at school. Every boy and girl is entitled to be taught to apply his knowledge to the practical side of life. Those who can do this the most accurately and aptly are those who succeed in life beyond the others.

THERE may be those who believe that the subject of agriculture and vocational education is out of place at a bankers' meeting, but if they could once attend such a conference as was held in Minneapolis and St. Paul, or such a meeting as that at the big armory in Springfield, where it failed to hold those who came to hear, they rapidly would change their minds. It is believed that practically all of the leading members of the A. B. A. council and of the committee of administration are favorable to the agricultural and educational movement.

OF course everybody in Illinois is "free and equal" when it comes to running for governor, but only state's attorneys and the like can "assess" the saloon keepers ten dollars a head for campaign expenses.

IHAVE said always, that I would not be a candidate myself in 1912 and that I had no intention of taking any part in the nomination for or against any candidate.—T. R.

WILLIAM T. BAIRD, one of the pioneer bankers of northern Missouri, died at Kirksville, Mo., Sunday last at the age of 77. He was a banker there for forty-seven years.

IOWA is to have plenty of candidates for membership on the executive council of the A. B. A. Group 7, which met recently at Toledo and Tama, endorsed Iowa's veteran ex-secretary, J. M. Dinwiddie of Cedar Rapids.

TWO weeks ago David H. McKee was endorsed for a similar position by the group meeting in his district. The other groups

probably will fall into line with a number of nominations, and everything points toward a lively session when the state convention gets together this year.

WE do not always agree with Prof. Zueblin when he talks civic reform to women's clubs, but he's a mighty good golf player.

MR. DINWIDDIE is very popular with the bankers of his district and of the state. At the group meeting he took the place of Ernest R. Moore, and delivered one of his characteristically humorous talks.

IT is said that A. F. Dawson, of Davenport, who has had a wide political experience, made one of the essential hits at the Toledo-Tama group meeting. Mr. Dawson proved to be a veritable whirlwind of oratory at the Mason City convention last year, and probably will take a leading part in this year's convention.

CHICAGO CHAPTER and all other chapters are laying plans for their trip to Salt Lake City for the A. I. B. convention this year. The chapter men of Salt Lake are raising entertainment funds in a very novel way. They are publishing a paper entitled "The Phoney Greenback." About the only serious things in the paper are the advertisements. The comment, news items, personals and small talk are very chaptersque.

FROM appearances the business men and bankers of Salt Lake are very much interested in the coming of the chapter boys, for it would not appear that anybody who was invited to advertise refused. The paper is something new in the chapter world, and probably other towns will make use of the same vehicle hereafter.

NORTHWESTERN NATIONAL and Minnesota Loan and Trust combined statements show just a trifle short of thirty millions in deposits. Both banks are popular in their particular fields and the board of directors is the strongest possible to assemble. E. W. Decker is president of both institutions, but the actual working forces are entirely distinct.

CALIFORNIA NATIONAL of Sacramento reports eight and three-quarters millions in deposits. This is one of the strongest banks in the state outside of San Francisco.

GERMANY NATIONAL of Milwaukee reports four and one-half millions in deposits. Like a great many other banks of the present day, it prints its deposits figures at the top of its liability items instead of near the bottom, as called for by the comptroller's reports. There is no good reason why the deposits line should not be brought up to the top of the liability column and set in larger type than the remainder of the statement. It looks well and the item is much more readily found by those who are curious to know.

SEATTLE NATIONAL is the largest bank in the city of Seattle, carrying now a little over fourteen and a quarter million dollars in deposits out of seventy-four millions in all of the banks. It also is one of the oldest financial institutions on the Pacific Coast, and is the depository for state, city and county funds.

LIKE many other up-to-date institutions, it has furnished a customers' room where it provides without charge telephones, electric telegraph calls, as well as city, state and Alaska directories. All of the leading financial magazines are kept on file and there is free service by a notary public.

THE lady patrons of the bank are taken care of in a similar manner, and the bank issues money orders, letters of credit, and cables money to all parts of the world. It fact, there

is not anything that a modern, up-to-date institution reasonably could be expected to do for its customers that Seattle National already has not taken up.

FARMERS NATIONAL at Pekin, Ill., on December 5, 1911, had \$976,879.27 in deposits, and on February 27th of this year had turned the million mark with \$1,316,676.47 to spare. This is one of the staunchest financial institutions of the lower part of the state. J. M. James is president and A. A. Siple cashier.

MERCHANTS-LACLEDE NATIONAL of St. Louis reports on February 20th, with deposits of fifteen and a quarter millions. William H. Lee is president and George E. Hoffman cashier.

FIRST NATIONAL at West Point, Miss., is not a large institution, but it is among those reporting their latest statement as the best they ever have "issued at this season of the year." The First is very proud of the fact that its overdrafts amount to only \$253.73. It is not often that a bank says anything in its statement card about overdrafts. They are decidedly out of favor with the examiners and with the comptroller, and in some institutions practically are unknown. The First National has deposits of \$393,455.03. Arthur Dugan is president and P. R. Dugan cashier.

WE are glad to learn that B. F. Harris promptly denied any intention of giving out a Roosevelt interview, "From McKinley's own town," close upon the heels of the delightful banquet which Mr. McKinley tendered Mr. Harris and the other bankers on their visit to Washington.

MR. HARRIS believes that Champaign, where both he and Mr. McKinley live, is five to one for Roosevelt, but had no intention of intruding his beliefs to the injury of Mr. McKinley or President Taft. Newspapers have a great liking for just such stories, and that is what happened to Mr. Harris.

AFTER the Washington meeting, Mr. Harris and E. J. Curtin, president of the Iowa Bankers Association, went to New York, and Mr. Harris was honored with a dinner invitation to Oyster Bay, where he had a long talk with T. R. Mr. Harris' intention was to attempt to get Mr. Roosevelt to come to the Illinois convention and talk on rural life subjects. It is said that the ex-president was very much taken up with the idea, and there is a possibility of his coming.

"BLUE SKY" advertising of fake investments received some body-blows at a recent meeting of the Advertisers Club in Baltimore. Speeches on this subject were made by Francis R. Morrison of Cleveland and by L. Guenther of New York. It was estimated that three hundred millions a year are taken away from honest people by dealers in fake securities.

UNDER the resolution the committee tentatively was formed out of the chairmen of the different sections—F. H. Goff, from the trust company section; J. F. Sartori, from the savings bank section, and J. K. Ottley, from the clearing house section. These three gentlemen were authorized to appoint a committee of seven—one from each section and four from the membership at large, exclusive of members of council.

COL. FARNSWORTH has sent out the membership of a most important committee authorized at the New Orleans convention. It is a sort of a committee on constitution, and comes from the masterful hand of Lewis E. Pierson, much experienced in such matters. The province of this committee, according to the resolution offered by Mr. Pierson, is that "they shall consider and report any amendments to the constitution which in their

judgment may be desirable, as well as to report any other amendments which may be submitted to them."

WE are extremely glad to put Mr. Harris right with his good neighbor, Congressman McKinley. In reality he did not expect his talk to get into print. Our own suspicion is that T. R. knows how it happened.

IT will require considerable strenuous work on the part of McNider and Teter to balance up the eastern membership of this committee on any questions arising touching territorial matters. It happens also that Goff and Ottley are eastern men of the original committee, and Mr. Sartori, as is well known, is the big-little banker of Los Angeles. Of course, there was no intention to fix up an eastern committee; "it just happened."

THIS committee has been appointed, and at first glance it would seem to be sort of an Atlantic Coast organization. All of the members except two are from Buffalo and east of there. Those who have been selected are: M. E. Ailes, of Washington; E. L. Robinson, of Baltimore; E. E. Foye, of Boston; E. E. McDougall, of Buffalo; M. Evans, of Norristown, Pa.; and the two western members are: C. H. McNider of Iowa and Lucius Teter of Chicago.

THE Clay Products Exposition to be held at the Coliseum, March 7-12, will be a most interesting event. That which will most attract the ladies will be an exhibition of full-sized brick bungalows, built in the styles which recently won prizes among seven hundred contestants.

A DEMONSTRATION of the fireproof qualities of brick bungalows, as compared with those of all wood, will be made. Road-building materials and machinery will be shown, and the exhibition will include tiling and other devices for underground work, as well as pottery, terra cotta and tableware departments.

THIS arrangement brings Georgia group meetings in between the Florida and Louisiana state conventions without any conflict in dates whatever. The Florida convention will be held on April 4th and 5th. There will be a side-trip to Havana under the auspices of the state association. The Georgia group work will start immediately on the return of this excursion. Louisiana convention will be at Covington on April 26th, and the

arrangement will afford visiting bankers a pleasant tour of the southern states at a very agreeable season of the year.

GEORGIA group meetings this year will be held as follows: Group 1, on April 10th, at Thomasville; Group 4, on April 12th, at Americus; on April 15th Group 5 will meet at Dublin, and two days later Group 2 will meet at Elberton. The series will wind up on April 19th with a meeting of Group 3 at Atlanta.

IT is said that fully two-thirds of all the cotton bills drawn against exports are handled by the Guaranty Trust Company of New York. The remaining one-third is divided up between other exchange banks in Chicago, Philadelphia and New York. The cotton bill of lading has been made a specialty by this institution.

IT is not to be thought for a minute that these are the only bills being handled by the Guaranty Trust, for last year it listed and exchanged two billions five hundred millions in commercial bills.

G. F. TROTTER, of the First National at Pueblo, Colo., has discovered the real author of the "Houn' Dawg" song. He just failed to get a kodak picture of the author as he went through on his way to other parts to escape the penalty of his notoriety. The author gave the place of his nativity as "the Ozarks."

DOWN at Atlantic City, enjoying the ocean breezes and riding on the "board-walk express" these sunny afternoons, may be found Joseph Chapman, Jr., of Minneapolis, Edward Chamberlain of Texas, and Myron T. Herrick of Cleveland. They went there for a brief rest after the agricultural hearing before congress last week. Mr. Chapman is expected home in two weeks. B. F. Harris went from New York to Boston and will be home in about ten days.

LEVERING MOORE, formerly connected with the house of Peabody, Houghteling & Co. of Chicago, has located at Houston, Texas, with offices in the Union National Bank building, where he will be associated with Hudson P. Ellis, formerly president of the First State Bank, Paris, Texas. These gentlemen will deal in high grade southern securities.

E. J. CURTIN, president of the Iowa Bankers Association, was in Chicago for a few hours on Wednesday, crossing over from New York and Washington. Expects to be at home at least a week. He thinks Henry Carpenter's friends will put him in the running for membership in the Big Council.

C. F. COLE, Jr., of the Valley National, Des Moines; G. W. Boyden, of the Farmers State Bank, Sheffield, Ill., and H. Witherspoon, assistant secretary Spokane and Eastern Trust Company, were Chicago visitors Monday. **CASHIER.**

CITY BANK HELD IMPRACTICAL

City Comptroller Brown, of Minneapolis, says that a quasi-municipal bank, such as has been established at Spokane for the handling of city bonds, is correct in theory, but that its failure in practice would be so serious that its inauguration in Minneapolis would be inadvisable.

Spokane has established a municipal bank to handle all of its bonds, selling them in small lots to the people. Its value is said to lie in the fact that all of the bonds would be sold at par, and that the profits of the bonding companies who now handle the securities would be eliminated.

Mr. Brown declares that it would take so many clerks to handle the sale of \$3,000,000 such as were issued by the city in 1911 that any saving which was made on the actual sale would be wiped out by the cost of handling the securities.

SERVICE

THE SERVICE you receive when you buy bonds largely determines the degree of success you will realize from your investments.

☞ The thorough investigation we conduct concerning the security behind each issue of bonds we purchase, and offer for sale, is a part of the **SERVICE** we give our clients through our organization.

☞ Expert engineers must first investigate the physical value of the property, experienced attorneys pass judgment on the terms of the mortgage, etc., and competent accountants determine the financial worth of the property.

☞ This searching investigation of affairs, which would be too great an expense for any one investor, enables us to ascertain absolute facts and to give you intelligent advice.

☞ We do not under any conditions offer for sale securities which do not possess proven earning power and known stability of value.

☞ This means **insurance of security for the investor.**

☞ When you think of investing your funds safely, think of

D. Arthur Bowman & Company
INVESTMENT BANKERS

Third National Bank Building

ST. LOUIS, MO.

ALL BRANCHES OF BANKING

1857



1912

ORSON SMITH	- - - President	P. C. PETERSON	Assistant Cashier
EDMUND D. HULBERT,	Vice-President	C. E. ESTES	- - Assistant Cashier
FRANK G. NELSON	- Vice-President	LEON L. LOEHR	Sec'y and Trust Officer
JOHN E. BLUNT, Jr.	- Vice-President	F. W. THOMPSON,	Mgr. Farm Loan Dep't
J. G. ORCHARD	- - - - - Cashier	H. G. P. DEANS	- - Mgr. Foreign Dep't

CAPITAL AND SURPLUS - \$9,000,000



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

THE NATIONAL CITY BANK
OF CHICAGO

Capital	- - - -	\$ 2,000,000.00
Surplus and Undivided Profits		587,563.63
Deposits	- - - -	30,713,013.20

OFFICERS

ALFRED L. BAKER	- Vice-President	DAVID R. FORGAN,	President	HENRY MEYER	- - Assistant Cashier
H. E. OTTE	- - Vice-President	A. W. MORTON	- - Assistant Cashier	WM. N. JARNAGIN	- Assistant Cashier
F. A. CRANDALL	- - Vice-President	WALKER G. McLAURY	Assistant Cashier	R. U. LANSING	Manager Bond Dept.
L. H. GRIMME	- - Cashier	M. K. BAKER	Asst. Manager Bond Dept.		
W. T. PERKINS	- Assistant Cashier				
W. D. DICKEY	- Assistant Cashier				

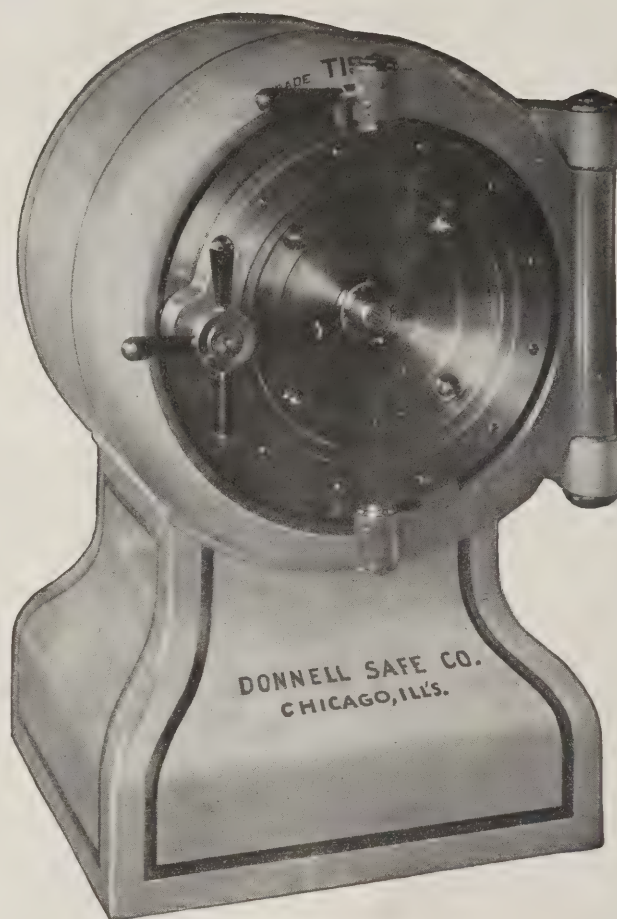
Fourth Street National Bank
OF PHILADELPHIA

Capital	- - -	\$3,000,000.00
Surplus and Profits		6,500,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board
E. F. SHANBACKER, President FRANK G. ROGERS, Vice-President
JAMES HAY, Vice-President R. J. CLARK, Cashier
B. M. FAIRES, Vice-President W. A. BULKLEY, Assistant Cashier
W. K. HARDT, Assistant Cashier

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General Western Agents for the York Safe & Lock Co., who have the best-equipped safe factory in America. Their Manganese safes are superior to any in the market. We sell these safes subject to a test against any Manganese safe made and will guarantee all our work equal, if not superior, to any made. We can refer you to any banker in Chicago. We carry the largest stock of bank safes in Chicago. Burglar vault doors, vault linings, burglar safes that have been used always on hand. A large lot of second-hand deposit boxes that are modern and good as new.

227-229 Washington St., Chicago, Illinois

The Girard National Bank
OF PHILADELPHIA

Capital	- - -	\$2,000,000.00
Surplus and Profits		4,585,000.00
Deposits	- - -	40,000,000.00

FRANCIS B. REEVES, President

RICHARD L. AUSTIN
Vice-PresidentJOSEPH WAYNE, Jr.
CashierTHEO. E. WIEDERSHEIM
Second Vice-PresidentCHARLES M. ASHTON
Asst. Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

MARCH 16, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

Florida Plans

Secretary G. R. DeSaussure of the Florida Bankers Association has arranged many of the details for his convention of April 4th and 5th to be held at Key West. The location is ideal for that season of the year, and many attractive addresses are on the program. Mayor Fogarty of Key West will welcome the visitors, and Congressman W. S. Jennings of Jacksonville will respond. That old, veteran, warhorse of many conventions, John T. Dismukes, will make a report on the A. B. A. meeting at New Orleans and Dr. Lincoln Huley, president of the Stetson University at DeLand, will talk on the congressional bill covering the recommendations of the National Monetary Commission. There will be many special features and the event will be largely in the nature of an outing.

MOVEMENT FOR BETTER ROADS

Representatives from more than two-thirds of the 102 counties of Illinois met at the Hotel Sherman this week. An organization to be known as the Illinois Highway Improvement Association was formed. The purpose of this organization is to secure for Illinois new highway laws, which will give good public roads throughout the state. The following officers were chosen: W. G. Edens of the Central Trust Company of Chicago, president; S. E. Bradt, DeKalb, vice-president of the First National Bank of that city; C. A. Kiler, Champaign; C. G. Miller, Cairo, and Mayor F. A. Gardner of Quincy, were elected vice-president of the association; treasurer, Thomas Sudduth, Springfield; secretary, Richard J. Finnegan, Chicago; directors, O. W. Hoit, J. B. Maguire, Philip Freiler, M. D. Ode, Henry Paulman, Eugene Funk, H. G. Herget, vice-president of the Herget National Bank, Pekin, Ill.; and Charles George.

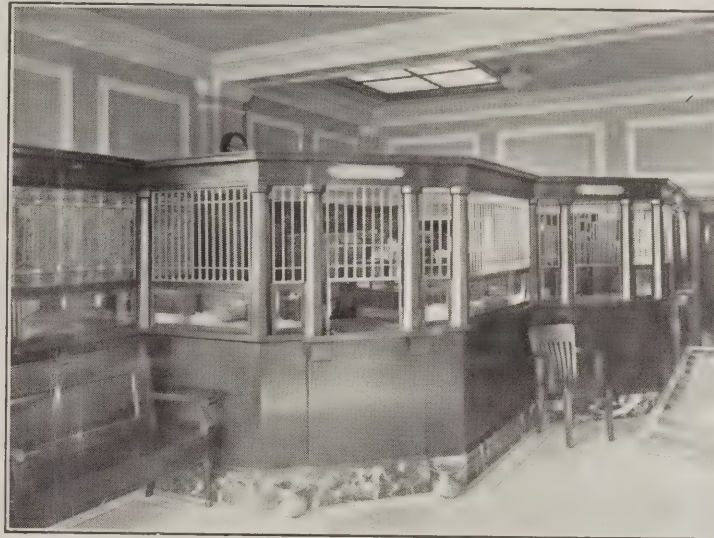
HIBERNIAN BOND DEPARTMENT

Manager Richard Fitzgerald of the bond department of the Hibernian Bank, of this city, has sent out an announcement that Chester H. Burke has joined his working staff, and will devote his entire time to the interests of the department. The Hibernian sends out a list of high-grade securities, which they offer to depositors and investors. The list includes many of Chicago's best rated investments, such as are legal for savings banks in this state.

BANK SUPERVISION IN NORTH CAROLINA

Among the special features of the North Carolina bankers convention to be held this year at Morehead City on June 26th, 27th and 28th, will be a special half-day session devoted to bank supervision and inspection. Secretary W. A. Hunt is one of the live ones. He feels that this is a subject in which the bankers of his own state, of all other states, are interested to an unusual degree. He now is looking for a string of speakers on that particular subject, and will announce particulars later.

Remodeled Banking Room at Ashland



THE oldest banking house in the eastern part of Cass Co., Illinois, has re-established itself in a first-class, modern, well-equipped banking room. Skiles, Rearick & Co. started in the banking business at the rear end of a drug store at Ashland, in 1881. The names included in the partnership besides those used in the firm name were Edward Oliver, George Conover, S. H. Petefish and J. J. Wyatt. Within a year this prosperous bank had moved into a building of its own. Ten years later the bank was burglarized of practically all its available cash, and

a year later everything was burned up except the safe and its contents. Notwithstanding these hardships the bank has prospered, and in 1905 became an incorporated bank under state supervision. Since that time its deposits have doubled, and at the last statement showed \$365,500.00, based on a capital and surplus of \$62,500. W. S. Rearick is the president, H. B. Baxter is vice-president, J. J. Wyatt cashier, and E. R. Clemmons assistant cashier. Mr. Rearick has been quite prominent in the affairs of the Illinois Bankers Association, and also in the larger matters of the American Bankers Association, having held elective offices in both organizations.

The new banking room and its equipment might be considered pretentious except as justified by the wealth and prosperity of the city and county in which it is situated. The main banking room is finished in old English oak, and lighted with prism windows of the latest design. In the rear of this room is a customers room, in which there are coupon booths for those who patronize the safety deposit vaults. In connection with these rooms is the directors room, which is finished in golden oak, and has large, antique fireplace and built-in book cases to give it a home-like appearance. The matters of ventilation, sanitation and public comfort have been looked to well. One of the crowning features of the new outfit is the strong vault, with its furniture and fixtures furnished by the Donnell Safe Company, of Chicago. Nothing has been spared by this long-established firm to give the Ashland bank a vault and equipment guaranteed to be both burglar and fire-proof. These are the features which give a bank standing in a community where people desire some absolutely safe place to deposit their valuables as well as their cash.

Agricultural Conference

B. F. Harris, chairman of the committee on agriculture and vocational education of the Illinois Bankers Association, has announced an agricultural conference to be held in the Agricultural Building of the University of Illinois at 9:30 A. M., Tuesday, March 26th. The purpose of the conference is to decide on ways and means for establishing agricultural education in the schools, and some attention also will be given to vocational work. The meeting is to be held in connection with President James and Dean Davenport of the University and the committee on agricultural and vocational education of the Illinois association. The following are expected to be present: Thomas Sexauer, director, department of agriculture, Associated High School, Albert Lea, Minn.; F. M. Leavitt, chairman, Illinois State Teachers Association and asso-

ciate professor of Industrial Education, University of Chicago; R. E. Hieronymus, secretary State Educational Commission, Eureka, Ill.; David Felmley, president State Normal University, Normal, Ill.; L. C. Lord, president Illinois State Normal, Charleston, Ill.; E. G. Blair, superintendent public instruction, Springfield, Ill.; J. H. Collins, superintendent of public schools, Springfield, and T. C. Burgess, Bradley Polytechnic, Peoria, Ill.

MEETING OF SECRETARIES ASSOCIATION

On Friday, March 15th, the secretaries of the various bankers organizations throughout the Central West, forming the Chicago conference, met at the Blackstone Hotel. A business session was held on this date. At one o'clock on Saturday, the 16th, a luncheon will be tendered them at the same hotel. Fred E. Farnsworth, secretary of the American Bankers Association, and J. W. Hoopes, of Austin, Texas, president of the secretaries organization, are expected to be present.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

OFFICERS
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The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

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We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

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Circulars on application

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Municipal **BONDS** Netting 3.80 to 5.50%

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Short or Long Maturities

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CHICAGO

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital - \$2,000,000
Surplus - 500,000
Deposits - 25,000,000

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
THOMAS E. NEWCOMER, Asst. Cashier
HARRY LAWTON, Manager Foreign Department

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....\$ 9,887,954.84
February 5, 1909.....11,617,691.24
March 29, 1910.....15,041,357.21
March 7, 1911.....21,574,956.79
June 7, 1911.....23,137,746.88
September 1, 1911.....24,500,075.82
December 5, 1911.....25,445,199.89

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Drovers Deposit National Bank

OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-eight years rendered Efficient and Quick Service to its Correspondents

Resources, Nine Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER
GEO. M. BENEDICT
WM. C. CUMMINGS



Mainly About Banks and Bankers

FRANK P. JUDSON, formerly cashier of the Bankers National, and for ten years secretary of the Illinois Bankers Association, has become a "captain of industry." He was discovered one day last week nicely located in a hotel at Aurora, and his business cards indicated that he now is treasurer of the Acorn Brass Company, a well-known concern.

MR. JUDSON is regarded as a very able banker and a man of very acute business instinct. Nothing will happen on account of carelessness or lack of attention, where the matter depends upon him. Bankers all over the state will be glad to hear of this new connection.

GEORGE H. RUSSEL has been elected president of the Detroit Clearing House Association, that he may the better help his old friend William Livingstone entertain the members of the American Bankers Association which is to meet in Detroit in September. Mr. Russel was president of the association in 1898, succeeding the popular Joseph C. Hendrix of New York.

THOSE were great days for the A. B. A. Immediately preceding Mr. Hendrix was Col. Robert J. Lowry, of Atlanta, and following Mr. Russel in 1899 was the still-youthful Walker Hill, president of the Mechanics-American at St. Louis. Much was made of association amenities in those days.

MR. RUSSEL also is president this year of the Council Club, an organization which was started at Atlantic City so that the down-and-outers (meaning ex-members of council and ex-officials) might have something congenial to do on the evening the big council banquet takes place.

NOT less than twenty-five or thirty persons become eligible for membership each year, and there is nothing at all necessary except to signify acceptance to the annual dinner, in the way of qualifying for membership.

THIS year the Council Club has Lucius Teter of this city for secretary. It has been the custom in times past for the president and board of directors to permit the secretary to attend to all of the details. If present suggestions mature, the banquet this year may be at a hotel separate from the headquarters hotel, and at which the members of the Council Club will make an attempt to get room reservations in a body.

AT New Orleans, Joseph H. Ingwersen, as secretary, pulled off the banquet at one of the big French restaurants, and it easily was the hit of all banquets since the club started. Speeches are limited to five minutes, and the program, which always is prepared carefully, generally is submerged by the toastmaster calling on all prominent bankers present.

ANOTHER "private bank" has failed, according to a humorous little letter received from ex-President Crabtree at Jackson-

ville. The particular private bank was an old shoe which mysteriously disappeared along with its contents. If the owner of the funds still retains the other shoe, he is in better luck than if he had placed the money in the Mason "bank" on the north side.

ALL ex-presidents and ex-members of council are eligible to attend the sessions.

FRIENDS and advocates of the "Blue Sky" plan of supervision will be pleased to know that the Kansas law on that subject now has the endorsement of the state supreme court.

ANOTHER feature of the Kansas law, which is being agitated at the present time in the Ohio constitutional convention, relates to the authority of the superintendent to refuse a charter where he thinks the community already well supplied with banking facilities. This is a feature of supervision which practically every banking commissioner in the United States has favored.

NOTHING is more likely to lead to bad banking practices than to have two or more banks in a community where one would be adequate. The bank which succeeds must do so largely at the expense of those which fail. In the scramble for new business too much attention is paid to gaining deposits and too little to security offered for loans.

OHIO is likely to provide for this power to discriminate in the matter of issuing bank charters in her new constitution, which, of course, would settle that mooted question from a law standpoint.

OHIO has 164 private banks reporting to the state superintendent. The total resources of these banks are just a little over thirty-two millions. The capital stock maintained is \$1,819,095. The surplus funds are carried at about 75 per cent of this amount.

THE Ohio law has not been decided fully by the courts, and a number of the private banks do not make reports. It is expected that the new constitution will settle that matter before it finally is disposed of in the courts. Under the new banking law, the incorporated banks accepted all of the provisions without contest. The private bankers organized an association of their own and have been fighting the supervisory features ever since.

NEW YORK legislature is considering a bill putting "loan sharks, pawnbrokers, and all persons or concerns making loans on pledges, personal property, chattel mortgages, assignments of salary or wages," under state supervision. Such a bill as this might reasonably be expected to pass in the Illinois legislature when the new bank supervision bill comes up along with its "Blue Sky" amendment.

COL. FARNSWORTH has sent out the annual proceedings book for the thirty-seventh convention of the A. B. A. held at New Orleans last fall. It makes a volume of

nearly nine hundred pages, and is well-printed and well-bound; it contains all of the addresses, committee reports, and details of the New Orleans meeting. The portrait illustrations are in photogravure, quite an improvement over the half-tone process.

THE very first registration sent in for the Briarcliff special train is from Nelson R. Greene and wife, of Moline. The second is for George F. Orde and N. F. Hawley of Minneapolis.

COL. FARNSWORTH tells us that the call so far includes "the executive council, the executive committees for each section, and probably all of the general committees of the association." This would appear to entitle seventy-six members of the council in this western territory and twenty-seven committeemen to attend the Briarcliff meeting. These figures give a total of one hundred and three who may go on the special train from Chicago, some of them getting on board at Toledo, Cleveland, and other points. If all of the members and committeemen who attend are accompanied by their wives, the train ought to be large as the average train going to the national A. B. A. convention.

WE are assured that the golf course at Briarcliff is one of the best in the state of New York, and that it will be in full operation for the visitors. The Chicago members, and those who have expressed their opinions, want to leave Chicago about 2:15 p. m., Saturday, so as to arrive at Briarcliff early on Sunday morning, thus giving them a full day's outing, before engaging in the meetings.

THE committee sessions all will come on Monday, and the sessions of the council will be held on Tuesday and Wednesday, thus making it possible for a great number of those in attendance to play golf or to go touring over the splendid roads in that vicinity, and to have a very enjoyable time.

THE Briarcliff estates include more than five thousand acres of land, and the altitude is more than five hundred feet, giving a clear view of the Hudson and the surrounding country. The hotel itself is classed as "one of the best resort hotels in the United States."

THE station for Briarcliff on the New York Central is at Scarborough directly on the bank of the Hudson River. The route from there is a mile and a half over the hills by automobile-buses furnished by the hotel. The train equipment will be the finest procurable. Details at present are lacking. Sleeping-car diagrams, as usual, will be in this office, and members can be grouped together in cars, if they will so specify when making reservations.

THE ways and means committee of the Chicago Association of Commerce has set April 10th for a speaking program on the
(Continued on page 31)



COLONIAL TRUST & SAVINGS BANK

La Salle Street, N. E. Corner Adams, CHICAGO

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EMIL STUEDLI, Assistant Cashier
W. F. DOGGETT, Assistant Cashier

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We offer a convenient and efficient service to those desiring a Chicago connection

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VOLUME XXXII

CHICAGO, MARCH 16, 1912

NUMBER 11

Chicago Public Hearing on Bank Supervision

The Chicago Association of Commerce is to have a public hearing on Bank Supervision under the auspices of the Ways and Means Committee at Hotel LaSalle luncheon on April 10th. Speakers already arranged for are President B. F. Harris of the Illinois Bankers Association and W. T. Abbott, vice-president of the Central Trust. Perhaps Commissioner J. N. Dolley of Kansas, author and inventor of the "Blue Sky" law, will also be invited. There is a deep public interest in the subject in Chicago and all over the state, and a large attendance is expected.

Banking Department for Kentucky

The Kentucky Bankers Association, and in fact banking interests throughout the state, are rejoicing in the safe passage of the bill creating a state department of banking. The measure has been successfully put through both branches of the general assembly and has been signed by the governor, to go into effect within ninety days.

In its present form as a law the measure is practically the same as when originally prepared by the committee on banking jurisprudence of the Kentucky Bankers Association. It confers upon the governor the right to appoint a state bank commissioner, a deputy bank commissioner and three bank examiners. The bi-partisan feature, specifying opposing political faiths for the chief commissioner and his deputy, has been eliminated.

Run on Eastern Chain of Private Banks

A dispatch from New York states that as the result of a run on their Perth Amboy branch, during which nearly \$100,000 was drawn out, a receiver has been appointed for the Hungarian banking firm of M. Rosett, of that city, a large concern with branches in Jersey City and Perth Amboy, N. J., Wilkes-barre, Pa., and Youngstown, Ohio. About \$600,000 is due to depositors altogether. The books show a surplus of assets over liabilities of \$192,000.

The branch is under the control of the New Jersey Department of Banks, and when the run had lasted several days examiners were sent to the bank. They figured that the bank could not raise more than another \$100,000 on its liquid assets, and got an order from the Court of Chancery in New Jersey restraining the bank from disposing of any of the remaining assets.

The bank has on deposit with the State Comptroller of New York a guarantee fund of \$100,000. It is said that none of the foreigners who have deposited money with the bank to be sent to their relatives abroad, owing to the supervision exercised over private banks in both New York and New Jersey, has anything

to fear for his money. Those commissions, to which the bank stood in the position of trustee, were attended to immediately and before any funds had been paid out to those who forced the run on the bank. Vivian M. Lewis, Superintendent of Banks in New Jersey, has taken charge of the branches in that state.

Financial Age Favors Supervision

In an able editorial the New York Financial Age comes boldly out in favor of bank supervision, in which it says in part: "Private banks in large cities where there is a cosmopolitan population should be frowned upon and discouraged. In New York city they should be prohibited from receiving deposits altogether, particularly that class of private bankers who solicit the deposits of those who are ignorant of our laws and the rules and regulations of banking in this State. Time and time again a private banker of foreign extraction has succeeded in inducing his compatriots to deposit their savings with him, only to decamp with the funds, or place them in some enterprise in which he is interested, and when the enterprise gets into difficulties close the bank and leave the poor depositors with but the small percentage of their deposits represented by the sum placed with the State Banking Department as prescribed by the new private banking law. Another private banker on the East Side with a chain of banks closed up this week with liabilities of about \$600,000. Senator Sullivan in arguing for his bill to license private bankers made the statement that "these private banks on the East Side stole \$2,000,000 of the earnings of emigrants in 1907." If this is true, private banks should not be licensed, they should be prohibited."

Up-State Town Refused a Bank Charter

Application for a charter for the Lincoln State Bank to be operated at Barker, N. Y., made some time ago by Harvey Hoag and others, has been rejected by State Superintendent of Banks George C. Van Tuyl, Jr. Mr. Hoag has operated a private bank at this place under his individual name since 1900.

Ohio Law Working Quite Well

In his annual report to the governor, State Superintendent of Banks Baxter has the following to say:

"There is ample evidence of growing conservatism and a general recognition of sound banking principles among the bankers, which makes for the safety and stability of their institutions. The directors are alive to the advantages gained by their close supervision, while they and the stockholders they represent are rewarded by increased dividends. The public is showing its confidence in the in-

tegrity of the banks by constantly increasing deposits, while apprehension on the one side and distrust on the other have given way to a feeling of security and mutual good will. Although it cannot be claimed that the present banking law is perfect, it is conceded to be correct in its main essentials and is entitled to a fair trial. It has the moral support of conservative bankers and is not regarded by them as being too drastic in its effects. The bankers of sound judgment and honest purpose have been quick to acquiesce in the limitations of their prerogatives so that the unsound and unscrupulous might be effectively restricted."

Private Banks and the Income Tax

According to the ruling of Royal E. Cabell, commissioner of internal revenue at Indianapolis, furnished to the office of Elam H. Neal, collector in the sixth revenue district, the federal excise law, commonly known as the corporation income tax, does not apply to private banks. This will be good news to nearly one hundred private banks within that district, which have been complying with the law and have paid the special taxes, amounting in the aggregate to thousands of dollars.

The private banks have raised no objections to being subjected to the tax, but have come up to the provisions of the law without questioning whether its provisions applied to them. It is said also that in some other districts, at least, the private banks have been regarded as within the excise law, but that the opinion furnished the Indianapolis office is the first time the question has been officially taken up by the department at Washington.

Capital Certificates Issued

The tax law in question provides for reports and for taxes on income in excess of \$5,000 from "all joint stock companies, corporations, and associations organized for profit and having a capital stock represented by certificates." While a private bank, where more than one person is interested in it, is a partnership under the law, the excise law was construed as including them because private banks have a capital represented by certificates, and the Indiana law, as well as that of some other states, requires them to keep a stock record, and to post the name of stockholders. This construction of the law is not upheld by Commissioner Cabell. In the Indianapolis district private banks whose stock was owned entirely by one person were dropped from the lists a year ago, says Chief Deputy Frank Smith, and this year private banks, having more than one stockholder, were notified that the question as to whether they were included under the law had been submitted to the department.

As considerable tax has been paid by private

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banks in the past, it is expected there will now be numerous requests for refunds.

More Restrictions for Private Bankers

Senator T. D. Sullivan has introduced in the senate at Albany, N. Y., amendments to the law restricting the private banking business. Exemptions are to be given only in cases where \$150,000 is deposited with the state as security. The exemption is now given if \$100,000 is deposited. The other amendment makes steamship companies responsible for losses where private bankers are agents of those companies. The Sullivan bills were advanced to the order of final passage.

Senator Cronin has also introduced a bill amending the banking law and providing for the examination of savings banks once in each year by the state superintendent of banks.

With an eye to lessening the excitement that frequently results in a run on a bank, started usually by the rumor which is only half founded, Senator Henry M. Sage, who is associated with one of the large banks in the up-state territory, has introduced a bill providing that the making, circulation or transmission of false statements and rumors upon the condition or management of banks shall constitute a felony. The same bill, which in all likelihood will soon be reported out, has been submitted to the assembly by Assemblyman Allen. The efficacy of such a law, it is contended by the legislators, would be more perceptible in the larger cities, especially the Metropolis.

Tennessee Wants a New Law

Secretary F. M. Mayfield of the Tennessee Bankers Association writes on to say: "I note your articles on bank supervision and inspection. Tennessee has practically no banking laws, and this association has been working for the passage of a good bill for several years. Last year we had a very good bill drawn up by our legislative committee, and had good prospects of passing it, but it looked like the bill was going to become involved in the factional political fights in this state, and had to be dropped. We are still carrying on the fight and the entire afternoon of the first day of the convention will be devoted to the discussion of the banking bill. I am sending to you under separate cover copy of the bill, which may be of interest to you."

Some of the Provisions

The draft of the new Tennessee banking law as prepared by the legislative committee of the state association, provides for a separate state banking department free from all connection with other departments of the government. One of the main provisions stipulates that the Tennessee Bankers Association when assembled in annual convention, shall elect by ballot five persons, one of whom the governor shall appoint as superintendent of banks. This is a feature of many of the new banking laws recently passed in other states, and guarantees to the bankers and the public the selection of an experienced man for the position. Section 6 provides for and includes: "Every corporation, firm or individual doing a bank-

ing business under the laws of the state of Tennessee," and Section 7 reads: "Every corporation doing a banking business under the laws of the state of Tennessee, and every individual banker, or partnership carrying on a banking business in the state, shall be subject to the supervision and inspection of the superintendent of banks and the regulations and supervision thereof." In all other stipulations as to supervision, examination, and publishing reports the individual banker is included along with the organized banks of the state. The individual banker's business is to be inquired into with every degree of scrutiny that is applied to the state banks and the penalties imposed for evasion or misstatement are the same. The superintendent of banks has the power to examine and exercise supervision over branches or agents of foreign banks located within the state. Provision is made in Section 10 for the appointment of a superintendent of banks as receiver for failed or insolvent banks. Any bank or banker who wishes to appeal from the superintendent's decision or from the decree of a court is obliged to put up a bond to cover the assets of the bank and a separate bond for costs in the case. \$7,500 is the minimum capital allowed, which is specified for towns and villages of less than 1,500 inhabitants. The limit of loans is 15 per cent of capital and surplus. Private banks are compelled to secure certificates authorizing them to operate under the same restrictions as applied to state institutions. They must have a paid-in capital and otherwise comply with the law. A suit for mandamus is the only recourse open to an individual or corporation who may be refused a certificate. The penalty for making a false statement is from one to five years in the penitentiary, and the act

itself is a felony. In all other respects the proposed Tennessee banking act is a careful summary of the best that is to be found in the banking laws of all other up-to-date states.

ASSETS OF "BANKER" MASON

Evidently William A. Mason, head of the defunct Ravenswood institution, had another lapse of memory when he declared his assets amounted to \$42,515.75. A meeting of creditors was held this week to hear the report of the committee of five, appointed to ascertain the amount of assets and liabilities of the insolvent institution, and to determine the exact status of the creditors in regard to the "Wilson Avenue Bank." It was learned that the assets amount to but \$20,575.99; the liabilities are \$55,681.84. It is estimated that depositors will receive about twenty-five cents on the dollar.

POSTAL SAVINGS DEPOSITS SHOWING STEADY DECLINE

Minneapolis.—Although the Minneapolis postal savings bank has brought forth from many obscure holes and corners many bills on which the original printing had grown dim, and many coins that had lost much of their pristine colors, deposits during the last few months have steadily declined from the high standard set the opening month. In fact, there was a falling off of more than \$9,000 in the postal deposits for February, as compared with the deposits for September, when the bank was started.

At the same time, deposits in the regular savings banks have shown a big increase. When the local savings banks published the amounts of their deposits recently, it was found that they had \$103,336,667.58 of the people's money, compared with \$89,968,330.48 in January, 1911, an increase of \$13,573,337.10. A corresponding increase in deposits was shown by the strictly commercial banks, both national and state, during the same period.

Fears that the establishment of a postal savings bank would mean the loss of many patrons to the regular banks have not been realized. A large percentage of depositors in the postal bank belongs to the class of people whose distrust of the general run of bankers would not permit them to entrust them with the care of their money. Again, many of the regular banks have been made depositories for money received through the postal savings banks, and in this manner funds find their way into the commercial banks, where they are protected by bonds deposited with the United States treasury, that would otherwise never see the inside of a regular bank.

LIBERTY NATIONAL BANK

Seward Prosser has been elected president of the Liberty National Bank to succeed Frederick E. Schenck, who resigned to become chairman of the board. Mr. Prosser was formerly vice-president of Astor Trust Company.

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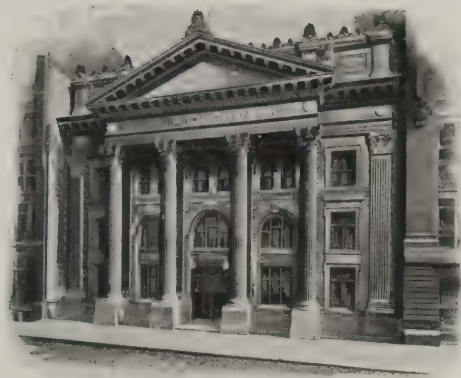
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Relation and Liability of Private Bankers to Depositors

By E. D. Jones

Recent private bank failures naturally suggest to one the question of what remedy have the victimized depositors, many of whom have entrusted to the care and safe-keeping of another practically all of their portion of this world's goods? Another query which presents itself in this connection is what is the liability of a banker, who, knowing that he is insolvent, and knowing full well that he never can repay, accepts moneys from an innocent depositor?

There are three kinds of deposits known to banking—special, specific and general. A special deposit is where the whole contract is that the thing deposited shall be kept safely, and the identical thing returned to the depositor. When money is deposited with a banker to pay a specified check or note, drawn or to be drawn, or for any other purpose than the mere safekeeping or entry on general account, the title to such a deposit remains in the depositor until the bank pays the person for whom it was intended, or promises to pay it to him. A general deposit is an ordinary deposit mingled with the general funds of the bank, and thereafter indistinguishable therefrom, the depositor receiving credit therefor on the books of the bank, and on his pass-book. A deposit is presumed to be general unless otherwise specified.

Special Deposits Safeguarded

A deposit for the special purpose of safe-keeping results in a mutual benefit bailment, the bank agreeing to keep the article safely, for a compensation. The bank is held to a reasonable degree of diligence in the care and protection of such bailed article. Reasonable care may be defined to be that care and caution which an ordinarily prudent man would exercise over his own belongings under similar circumstances. If the article is lost through the negligence of the bank not amounting to this degree of caution, the bank is liable to the depositor for the value of such article so lost. In the case of a specific de-

posit, the money is deposited for a definite and ascertained purpose. The bank is bound to apply the money so deposited toward the accomplishment of such object. The title to the deposit does not pass to the bank; they simply act as the agent of the depositor, holding the money as trustee. Upon failure of the bank the money does not pass into the general assets of the bank for distribution among the general creditors; and a receiver is bound to repay to the depositor the amount originally turned over to the defunct institution. In the case of a general deposit, the ordinary relation of debtor and creditor is established between the bank and the depositor. Upon failure of the bank a general depositor has no right to have his claim paid in full in preference to those of the other general creditors of the insolvent institution.

A Notable Illinois Case

The law on this point is well supported by authorities. In the case of Lucius B. Otis vs. Jacob Gloss, 96 Ill. 612, the clerk of a court,

under an order of the court, made a deposit of court funds with a certain bank, which afterward became insolvent. In appointing a receiver for such institution, the court ordered him to pay in full the amount of the money so deposited by the clerk of the court. The supreme court in reviewing the case said that inasmuch as the deposit was not a special one, and there were no means of identifying the money so deposited, it was error to require the receiver to pay such deposit in full; that the clerk must share pro rata with the other general creditors of the bank; that when a court placed the assets of an insolvent bank in the hands of a receiver, it was for the benefit of all the creditors, to be administered and paid according to the equitable claims of such creditors. Another case bearing on this subject is that of Mary D. Lanterman vs. Chas. N. Travous and Edwin D. Gillespie, 73 Ill. App. 670. The appellees in this case were assignees of J. A. Prickett and Harris E. Prickett, who did business as private bankers under the firm name of J. A. Prickett & Son at Edwardsville, Ill. On December 14, 1896, the bankers executed a deed of assignment under the state law, for the benefit of their creditors. On December 11, 1896, Mary D. Lanterman, the appellant, deposited with the private bankers a check for \$2,487.67, drawn on the Bank of Edwardsville. She received \$37.67 in money, and was credited on the books of the bank for the balance of \$2,450, an account being opened with her on the books of the bank, she receiving a pass book with a credit for the above named amount. After the insolvency of the bank appellant filed a claim with the receiver, within the time prescribed by statute; also a verified petition asking that her demand be made a preferred claim, and that it be paid in full. The lower court denied the petition and appeal therefrom was taken to the appellate court. A few days after the deposit was made an adjustment, or clearance of checks, was made between the private bankers and the Bank of Edwardsville, resulting in a

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balance of \$1,000 in favor of the former, which money was deposited in the private bank, becoming a part of its general assets and indistinguishable from the rest of the moneys constituting such assets. It was claimed by counsel for the appellant that the money was received by the bank, when it was hopelessly insolvent, which fact was known to the bankers at the time. We have a statute in this state making it a criminal offense for any bank or person or persons doing a banking business, to receive deposits when such bank is, to the knowledge of its officers or proprietors, insolvent. This statute will be discussed in a subsequent portion of this article. It was contended that inasmuch as the statute made the reception of deposits under such circumstances a crime, it followed that all deposits so received were fraudulently received, and that therefore no title passed to the bank or its assignee; that this being so, the deposits became trust funds, and should be made preferred claims, although mingled with the other moneys of the bank. The court, in passing upon this question said: "Such is clearly not the result of this statute. If it were the effect would be to make two classes of depositors—one class before insolvency and the other after, and to apply the deposits of the first in payment of the deposits of the second. The act referred to has not changed the legal rights or equities of the depositors. It has not made fraudulent what was not fraudulent before." The judgment of the lower court was affirmed and the appellant forced to share with the general creditors in the distribution of the assets.

Instance of a Specific Deposit Cited

The law is well settled that if the deposit in question had been a specific deposit, it could have been recovered from the receiver. In the case of *Star Cutter Co. vs. Smith*, 37 Ill. App. 212, it was held that where money was delivered to a bank for the express purpose of paying a check, the money so deposited constituted a trust fund, and in case of insolvency of the bank did not pass into the

assets thereof, but could be recovered by the depositor from the receiver. Morse, in his treatise on "Banking," says: "When money is deposited with a bank for a specific purpose, or where the very money or the thing deposited is to be returned to the depositor, the property does not pass from the depositor." If, however, money is collected on behalf of a depositor, in payment of a bill or note left with the bank for collection, such money when collected becomes a general deposit, unless the instructions are "collect and remit." For instance, C sent a bill to the D Bank for collection, with the specific direction to collect and remit the proceeds. The bank received the money and forwarded its draft to C, the draft being drawn on a New York bank. The draft was dishonored and subsequently the D Bank went into the hands of a receiver, who was ordered to pay C in full in preference to the other creditors. The title to the bill never passed, and the proceeds thereof were held in trust for C. When the D Bank received the funds, it was deemed to hold them in a fiduciary capacity as trustee for C.

Deposits After Known Insolvency

While the law is pretty well settled that in the case of a general deposit, the relation existing between the bank and the depositor is that of debtor and creditor, and that as such preferential payments are illegal, there are cases, which hold that if a general deposit is received under circumstances amounting to a fraud on the depositor, the latter is entitled to recover the amount of such deposit in preference to the claims of the other creditors of the defunct bank, e. g., where a bank takes moneys with knowledge of insolvency; that

a deposit received under such circumstances creates a trust fund in favor of the depositor, which can be recovered from the receiver, where the funds received by him are increased by such deposit. (102 Fed. 780.) "A cash deposit fraudulently received by an insolvent bank can be claimed from the receiver, when it went into the general funds of the bank." (97 Tenn. 540.) The case of *John Cragie et al., respondents, vs. Sterling G. Hadley*, 99 N. Y. 131, is interesting in this connection. In that case the plaintiffs deposited in the usual course of business certain drafts with a bank, which were credited to them on the books of the bank, and in the pass-book of the plaintiffs. The bank was at the time hopelessly insolvent, and its drafts had gone to protest the day before all of which the bank had full knowledge. On the day of the deposit the bank kept open its doors until the usual hour of closing, but did not open them again. It then went into the hands of a receiver. In an action to recover the deposit, it was held, that in permitting the plaintiffs to make the deposit in reliance upon the solvency of the bank, a gross fraud had been perpetrated upon them and that they were entitled to claim the drafts or their proceeds; also that this right was not denied by the United States statute forbidding all preferential payments or transfers by an insolvent bank, and providing for a rateable distribution of its assets, as the plaintiffs did not claim under a transfer from the bank, but under their original title; that their relation as creditors terminated when they elected to rescind the contract implied, when the deposit was made; that they were seeking simply to recover their own property, and that neither the receiver nor any creditor of the bank had any equity to have such property applied in payment of its obligations.

A Contrary Decision on Record

Another Illinois case, contrary to this rule, is that of *Murphy vs. the People*, 19 Ill. App. 125. The court in speaking of the Illinois statute above referred to said: "The law is stringent and passed for the protection of all

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depositors and not for the benefit of any particular class. The rights of depositors are not changed because this statute makes it criminal to receive deposits when insolvent. When a general deposit is made before formal insolvency, there can be no recovery in preference to the general creditors; but when the deposit has been kept separate, and not fully received before insolvency, the depositor can claim it," citing *American Exchange Bank vs. Mining Company*, 165 Ill. 113.

Section 25a, of the criminal code, Hurd's Revised Statutes of Illinois, provides:

"That, if any banker or broker, or person or persons, doing a banking business, or any officers of any banking company or incorporated bank doing business in this state shall receive from any person or persons, firm, company or corporation, or from any agent thereof, not indebted to said banker, broker, banking company or incorporated bank, any check, draft, bill of exchange, stocks, bonds, or other valuable thing, which is transferable by delivery, when at the time of receiving such deposit said banker, broker, banking company or incorporated bank is in his or its knowledge insolvent, whereby the deposit so made shall be lost to the depositor, said banker, broker or officer, so receiving such deposit shall be deemed to be guilty of embezzlement, and upon conviction thereof shall be fined in a sum double the amount of the sum so embezzled and fraudulently taken, and in addition thereto may be imprisoned in the penitentiary not less than one, nor more than three years."

Law Applies to Private Bankers

It will be seen from the wording of the statute that it is applicable to private bankers as well as to incorporated banks. This act originally was passed in 1879. In addition to the above, it contained a provision to the effect that the receipt of deposits within thirty days before suspension of involuntary liquidation should be deemed prima facie evidence of fraud on the part of the banker. The section above quoted is the statute in force July

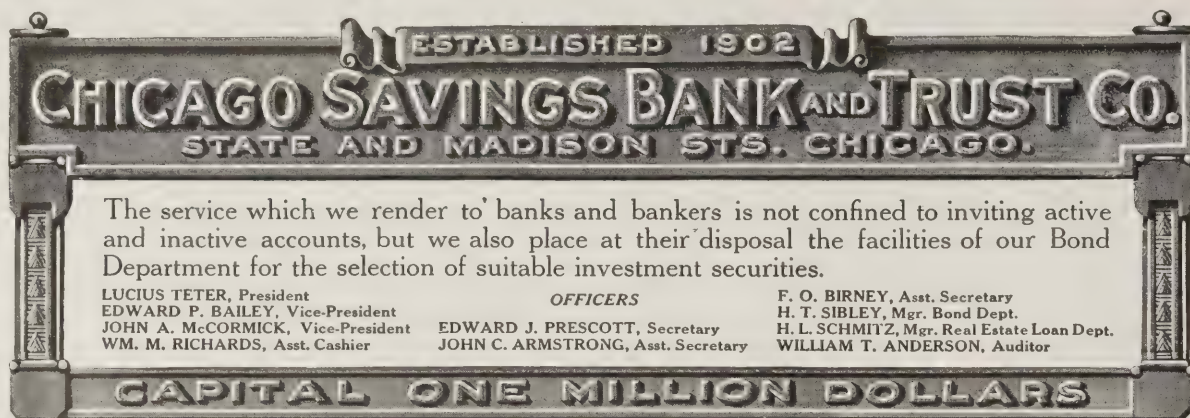
1, 1903. Notable among the cases relating to this act is that of *Meadowcroft vs. the People*, 163 Ill. 56. Charles J. Meadowcroft and Frank R. Meadowcroft were brothers engaged in the business of private banking. They were indicted under the above statute, the constitutionality of which was challenged upon several grounds. It was urged by the defendants that by this statute the provision of the constitution of the United States providing that "no person shall be deprived of life, liberty or property without due process of law," was violated. In support of this contention it was argued that everyone had the right to engage in the ordinary callings of life; that as an incident thereto he had the right to make contracts in respect to such business; that the business of private banking was a common calling; that one of the incidents of such a business was the receiving of deposits from customers; that the relation between the bank and the depositor was that of debtor and creditor; that to deny to the private banker the right to prosecute his business, and as an incident thereto, to contract in regard to the same on like terms as others engaged in the common callings of life, was to deprive him of both liberty and property, to the extent that he was denied the right to contract without due process of law. The fallacies of the above argument were pointed out by the court in its decision. The business of banking, like that of an innkeeper and common carrier, is one which is affected with a public interest, and as such is subject to the police power of the state and restriction by legislation. The police power of the state may be defined to be that power which is inherent in, and which enables a state to prevent all things harmful to the comfort, welfare and safety of society. The object of the statute challenged was to protect the public from making deposits in insolvent banks. It also was argued that the fact that a banker or a person received money from a depositor, who was not indebted to him, and at a time when the bank or banker was insolvent, whereby the deposit so made was lost, was not, without further evidence,

an act from which a jury could infer a criminal intent sufficient to convict of a crime. The court said, "If one is a person doing a banking business, and receives on deposit the money of his customer, it is to be presumed that he knows at the time of receiving such deposit whether or not he is insolvent, and it is criminal negligence for him not to know of his insolvency"; that failure within thirty days after receiving a deposit was prima facie evidence of fraud on the part of the banker, as provided by the statute. It was held that this particular provision of the statute was not unconstitutional; that no one had such a vested right in the rules of evidence as to render a statute with such a provision unconstitutional as depriving him of the presumption that every man is innocent until proven guilty; that it was not unconstitutional as depriving one of the right to trial by jury. The crime created by the statute is complete when the insolvent banker fraudulently receives the deposit, and on his failure, suspension or involuntary liquidation by reason of insolvency, the depositor is deprived of the whole or some portion of the deposit.

The "Thirty-Day" Clause Omitted

The "thirty-day" provision above referred to excited a good deal of unfavorable comment as arbitrarily fixing the question of one's guilt; and that one thereby was deprived of the right to trial by jury. In amending the act passed in 1879, this provision seems to have been omitted. It is difficult to see how this adverse position is tenable. The statute does not make failure within thirty days conclusive evidence of fraud, but merely prima facie evidence, which is open to rebuttal. As was well said by the learned judge in the *Meadowcroft* case, a person doing a banking business and receiving deposits from customers is presumed to know whether or not he is solvent; and it is criminal negligence for him not to be aware of such fact. If a banker is so careless in the management of his bank as not to know at all times whether or not the institution is

(Continued on page 28)



ESTABLISHED 1902
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The service which we render to banks and bankers is not confined to inviting active and inactive accounts, but we also place at their disposal the facilities of our Bond Department for the selection of suitable investment securities.

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CAPITAL ONE MILLION DOLLARS

ILLINOIS BANKING NEWS

By C. C. Burford

L. L. Emmerson, president of the Third National of Mt. Vernon, reports that farmers in southern Illinois are in a prosperous condition, and they are using the banks more than ever before. Mr. Emmerson is one of the well-known bankers in "Egypt," and has served Group 9 as chairman. He organized the Third National in 1901, having first bought the Evans-Gee Banking Company, and later took over the Mt. Vernon State and Savings Bank. With capital and surplus of \$165,000, and with deposits of \$603,000 the Third of Mt. Vernon, is one of the strong banks of that vicinity. Mr. Emmerson is at present a candidate for the Republican nomination of state treasurer. In reference to business conditions in "Egypt," Mr. Emmerson outlined his views as follows:

Business Conditions in "Egypt"

"Generally speaking, conditions in this part of the state are about the same as a year ago. Considering the drought of last summer, the farmers in this section are in splendid condition financially, this being evidenced by the promptness with which farm sale notes are taken up at maturity. The demand for loans, particularly among investors, is heavier than usual, indicating not only anticipation of better business, but confidence in the future. The greatest gain in deposits during the past twelve months has been shown by the small banks—those located in the rural districts, and in country villages, proving not only the prosperity of the farmer, but also his appreciation of, and desire to take advantage of, banking privileges. It is, of course, too early for crop predictions, though a good wheat crop is looked for, and anything like a favorable spring will insure general prosperity for all of 'Egypt.'"

Woodruff Boosts Soil Improvement

The February number of "The Banker," edited and published quarterly by George Woodruff, president of the First National of Joliet, contains among other interesting articles, one by B. F. Harris, president of the Illinois Bankers Association, on "Soil Survey." Mr. Harris describes the methods of the University of Illinois in making a soil analysis of each county in the state, and also outlines

the present work of the Illinois Bankers Association in soil preservation.

"The Banker" is one of the clever bank publications in the country, and is now in its sixth volume. Mr. Woodruff shows that he is interested in every moral and commercial enterprise in Joliet and Will county and his little magazine has the real "boosting" spirit. The First National of Joliet is making a specialty of the business of banks and bankers, and is now handling the accounts of eighty institutions. With resources of four million dollars and with George Woodruff as its president the First of Joliet is one of the powerful banks in the state. "The Banker" is helping to put the First of Joliet where it is.

Illinois Men Buy Utilities

Western capitalists have taken over from New York bankers the control of the \$11,000,000 Tri-City Railway and Light Company, which operates the public utilities of Rock Island and Moline, Ill., and Davenport, Iowa. Among the men now in control of the company are Samuel Insull, G. B. Caldwell, Edward Russell and H. L. Stewart of Chicago and J. G. White and William Butterworth of Moline.

Death of Several Bankers

Sampson Reed, owner of the Citizens Bank of Covington, Indiana, just over the state line east of Danville, is dead. Mr. Reed was a successful banker and was passionately devoted to his business. His will provides that the Citizens Bank shall be conducted twenty

years just as it is now run. The will further provided that the bank should only be closed during the actual hours of his funeral and that it be opened the next day as usual. Mr. Reed died childless and his property will be divided among his relatives.

Thomas S. Lotlar, president of the State Savings Bank of Herrin, Williamson county, is dead at the age of seventy-two years. His death was caused by paralysis.

Fred E. Harding, president of the Second National of Monmouth, died Monday, March 11th, very suddenly while seated at the breakfast table at his winter home at Naranjo, California. His wife died February 7th and it is believed that worry over her death hastened his own demise. Mr. Harding was state senator from the twenty-second Illinois district.

Piatt County Bankers Organize

An organization of the bankers of Piatt county has been perfected as a result of a meeting recently held in Monticello. Forty-one bankers enjoyed a six-course dinner. William Dighton, president of the First National of Monticello, was toastmaster. Professor Cyril G. Hopkins of the University of Illinois delivered an interesting address on the conservation of the soil. Among the bankers who spoke were Homer E. Shaw of Bement, M. W. Welty and John Vent of Cerro Gordo.

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ESTABLISHED 1864

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O. W. Moore of Monticello, B. F. Kagey of La Place, and W. A. Steel of Bement. Mr. Dighton was elected chairman, Mr. Steel, secretary and Mr. Shaw, treasurer.

State Banks Show Increase

The state auditor has issued a statement of the condition of the 569 state banks at the commencement of business February 21st. This is an increase of eight banks as compared with the last statement.

The total capital, surplus, contingent funds, and undivided profits is \$117,821,653, an increase of \$903,159. The total deposits, including amounts due to banks, is \$671,254,165, an increase of \$25,127,610. The percentage of reserve to deposits was 28.95.

Illinois Notes

Frank L. Smith, president of the First National of Dwight and internal revenue collector at Springfield, has officially taken charge of President Taft's campaign in Illinois. In order to do so he had to get a leave of absence without pay from his duties at Springfield.

The state association of county treasurers at their recent convention in Decatur elected the following officers: O. L. Cline of Monticello, president; L. N. Bear of Urbana, first vice-president; F. A. Eisele of Edwardsville, second vice-president; W. W. Gifford of Joliet, third vice-president; W. E. Schurman of Pekin, secretary; and James I. Lebo of Decatur treasurer.

At the recorder's office in Springfield fewer farm changes are reported for the period of the first of March than usual. This is probably due to the values, which have almost doubled in the past ten years. One man reports having sold a farm of eighty acres in 1900 for \$125 an acre and recently bought it back for \$185 an acre. "A man who has a quarter section of land in Sangamon county does not need to worry about the future for himself or for his family" is the observation of

a land-dealer of Springfield. Eighty-five acres near Tuscola, Douglas county, was recently sold for \$290 an acre.

BANKING LAWS CRITICIZED BY UNIVERSITY PROFESSOR

Professor J. Laurence Laughlin, of the University of Chicago, in an address this week before the Chicago Chapter of the American Institute of Banking in the Northwestern University Building, severely arraigned the present banking laws of the country. He declared that the defects in such laws are responsible for the business-disturbing, panic-breeding fostering of speculation at the expense of industry. The Professor pointed out to the students the numerous abuses permitted under our present laws, stating that the use of the country's banking reserves in Wall Street speculation is a practice which would not be allowed any place but here; that the National Reserve Association is the only means by which conditions can be remedied. He said: "Banks are organized primarily to facilitate

the exchange of the products of industry. They bridge the interval of time between the production and consumption of goods. Ninetenths of all our large business is now done on bank credit. But it is not the business of the banks to divert credit that is needed by the farmer, the merchant and the manufacturer into stock speculation. In no other country must the productive industry wait on the speculative market for funds with which to finance the day-to-day exchange of goods." The lecturer then pointed out that in times of pressure certain institutions are favored to the neglect of others; that it is the small financial institution which always must seek aid when disaster comes; and that this is the situation about which there is so much complaint.

NOTHING GIDDY ABOUT IT

Letters have been sent out by Stoddard Jess, of the First National at Los Angeles, Calif., to deny the truth of a rather flamboyant description of their new banking room sent out by the firm which supplied the furniture and fixtures. Mr. Jess does not want either his customers or his friends in the East to think that he has made an attempt to have the "finest banking room in the world," or one which surpasses in an unusual degree "all other banks in California." He has done all that he could to have the new banking room of the First National adequate and up-to-date, so that it will compare favorably in beauty and attractiveness with those of other first-class banks in his state.

NEW MARK IN DEPOSITS OF CONTINENTAL

Deposits of the Continental and Commercial National reached a new mark this week, amounting to \$191,119,000.

The comptroller of the currency has received an application to organize the First National Bank of Newell, Ia., capital, \$25,000, to succeed the Newell State Bank.

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661 WEST MADISON STREET, CHICAGO

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

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Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

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FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
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DIRECTORS

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Charles Schriber
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith

BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

Business is reported very active and collections good. Wisconsin bankers are jubilant over the recent heavy snowfalls, indicating as they do an early spring and chance for a record year in crops.

Insurance for Bank Deposits

The bankers association is preparing to send out drafts of a proposed system of insurance for bank deposits, being prepared by a special committee of the association appointed at the last annual meeting. Every member of the association will be asked to note objections and suggestions on the preliminary draft and return it to Secretary George D. Bartlett. The suggestions will then be gone over by the committee so that the plan may be put in shape for a vote of the whole association at the annual meeting next summer.

For Municipal Bank

In a survey of the Socialist administration of Milwaukee just published, City Treasurer C. B. Whitnall outlines a plan for a municipal bank, which he believes will save the city \$100,000 a year besides providing absolute security for small savings.

"The city is using \$10,000,000 of borrowed money, for which it pays interest at the rate of 4 per cent," says Mr. Whitnall. "I propose that bonds be deposited with the state treasurer as security, and that the city treasurer be placed under the supervision of a bank examiner. Then the citizens may deposit their savings in the city treasury with assurance of

absolute security, and 3 per cent interest. The city will thus save 1 per cent on each dollar every year, or an aggregate of about \$100,000 a year.

Branch Postal Savings Depositories Opened

Three branch depositories for postal savings banks were opened on Friday, March 15th, following the receipt of an order from Washington by Postmaster David C. Owen. The branch depositories are located at National Avenue and Reed Street, Thirteenth Street and Fond du Lac Avenue, and Howell and Lincoln avenues. Permission to institute the branch depositories was received following the filing of a suggestion by the postmaster that the facilities offered depositors by the single station in the federal building were insufficient to the city's needs.

Milwaukee Notes

S. A. Kean & Co., Chicago, bid in the recent \$100,000 issue of 4½ per cent Municipal Electric Lighting Plant bonds, with a \$3,000 premium, although the deal is held open temporarily pending the litigation over an injunction brought against the city by T. J. Neacy to restrain the municipality from declaring the issue.

President James K. Ilsley of the Marshall & Ilsley Bank, is spending a short vacation in Cuba and Florida.

Bradford A. Lawrence, Jr., has left his position with the bond department of the Marshall

& Ilsley Bank to enter the real estate business in Florida.

Celebrates Fifty-third Anniversary

The Northwestern Mutual Life Insurance Company celebrated this week the fifty-third anniversary of its founding. The "company" arrived in Milwaukee on March 12, 1859, in the shape of a few policy forms, letter heads, and a cash book in charge of S. S. Daggett, elected president of the company at a meeting in Janesville, Wis., a few days before. Since that time the company agents have increased from thirty-four to five thousand, and its assets have grown from a few hundred dollars to several millions.

To Protect Employees from "Loan Sharks"

The Wisconsin Telephone Company has instituted a plan by which it hopes to save its employees from the clutches of "loan sharks." Every employee has been placed upon honor to report loans secured in this manner to company officials. If the loan has been made necessary by sickness or other necessity, the case will be referred to the company's legal department, which will settle with the loan agent upon agreement of the employee to make reimbursement on easy monthly installments. Settlements with the money lender will be made strictly on the basis of the legal interest rate. If this is not accepted the company will fight the case on behalf of the employee. To avoid the necessity of future reference to money lenders, the company will



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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JOHN CAMPBELL, Vice-President	J. H. PUELICHER, Cashier
F. X. BODDEN, Assistant Cashier	H. J. PAINE, Assistant Cashier
G. A. RUESS, Mgr. South Side Branch	S. H. MARSHALL
J. H. TWEEDY, Jr.	R. N. McMYNN
GUSTAV RUESS	C. C. YAWKEY

establish a loan fund out of which loans will be made to employees, who need money for worthy purposes.

New Trial for Embezzler

After remaining out fifty-six hours a jury failed to come to an agreement in the case of F. J. Heller, charged with embezzling \$102,000 from the funds of the Skarb Polski Building and Loan Association, of which he was formerly treasurer. A new trial will be held during the next term of municipal court. The trial, which lasted eight weeks in municipal court, is said to have cost the state on an average of \$300 a day. The alleged embezzlement was committed previous to November 16, 1905, when Heller left Milwaukee. A warrant for his arrest was issued immediately, but his whereabouts were unknown until December, 1910, when he returned to Milwaukee and waived preliminary examination in district court. Continuances were granted, and the trial did not open until January 22, 1912.

New Building Near Completion

The concrete construction work of the new eight-story building being erected by the Merchants and Manufacturers Bank on West Water Street is nearly completed, and the exterior and interior finishing will be commenced within a few weeks.

Delayed by the cold weather and heavy snow, the contractors erecting the new home of the Second Ward Savings Bank at West Water and Cedar streets are hastening to complete the building before January 1st, the contract time. All the stone used in the building is quarried at Milwaukee, and as much of the finishing and furnishing of the building as possible will be done by Milwaukee firms.

Madison Merger Ratified

The stockholders of the Merchants and Savings Bank, the Capital City Bank, and the Bank of Wisconsin, all of Madison, this week ratified the merger of the three institutions announced last week.

Shortest Railroad to Extend Line

The Chicago and Lake Superior Railroad, supposed to be the shortest railroad in the world, received an order from the state railroad commission this week to extend its line from Cambridge to Rockdale, in Dane county, a distance of two and one-half miles. The company already operates a line from London to Cambridge, a distance of about three

miles. The road is controlled and operated by B. L. Delameter of Cambridge.

H. E. Horne of La Crosse has instituted an action to recover the funds held in trust by the clerk of court for the sale of the Mexican Plantation Company, a corporation organized by La Crosse business men in 1903, for the purpose of producing rubber on a plantation purchased in Mexico. The fund, amounting to \$24,000, is held in trust by the clerk of court, Congressman John J. Esch, Michael Funk, A. Baldwin & Co., La Crosse, and William Beck, Indianapolis, having filed claims to recover investments in the plantations, which proved a failure.

According to advices received by his mother, Walter Brown, who disappeared from Arnott, Wis., a week ago, after an unsuccessful effort to organize a bank there, has enlisted for three years in the United States Navy. He was formerly connected with banks in Stevens Point and Marinette, Wis.

Wisconsin News Notes of Interest

The Carberry Building, Grand Avenue and South Street, Waukesha, is being remodeled for occupancy by the new Farmers and State Bank.

Articles of incorporation of the Lyndon State Bank of Lyndon were approved this week by State Banking Commissioner A. E. Kuolt. The capital is \$10,000, and the incorporators are D. J. Puffer, T. S. Lawler, R. H. Laabs, and others.

The sum of \$57,000, which the La Crosse common council was unaware the city possessed was found to be credited to the city since 1885, in a La Crosse bank. The discovery was made by the city comptroller, while going through the council proceedings for the past twenty-seven years.

HOW SUFFRAGETTES WOULD DO IT

She had just finished reading that seven thousands bills were presented to congress in nine days. "Do you think it businesslike to have so many bills in such a short time?" she asked sharply. "We women could do much better. When we are represented in congress we'll prove it." Blithers scratched his head in perplexity. "How would you women stop it?" he demanded. "How would we stop it?" said Mrs. Blithers, scornfully. "We'd pay cash as we went along."

"IRWIN'S BANK IS A PRIVATE BANK"

Under the above headline, set out in very black-faced type, Irwin's Bank of Columbus, Indiana, makes the following announcement: "Under the laws of the state of Indiana, it is subject to examination, and its statements are published and filed, as are those of national, state banks and trust companies. Its depositors have the security of its capital of one hundred thousand dollars and, in addition, of all the property of the owners of Irwin's Bank, making a total security equaled by few banks in the state of Indiana." Although a private bank, it maintains a capital of one hundred thousand dollars with undivided profits of ten thousand dollars, and has deposits only a little short of a million. It is pretty good evidence for private bankers in Illinois that bank supervision and inspection, even over private banks, is a valuable advertising asset in the eyes of the public. The statement issued announces that William G. Irwin and Linnie Irwin Sweeney are the owners of the bank. Mr. Irwin of the firm is the president; H. T. Miller is the vice-president and J. W. Suverkrup is cashier.

THE HARDSHIPS OF POLITICS

The Rooseveltistas' action is omitting from their printed matter the name of the building in which their Washington headquarters are situated must be something of a blow to a man who is as submissive about letting his name appear in print as is Frank A. Munsey. Also take note of the wild enthusiasm in the west for Perkins as a president-maker. At the present rate of (reported) destruction, it seems doubtful whether the Oyster Bay forest will last through the campaign for the nomination. The sitting-as-a-juror scheme died early with a peremptory challenge from the plaintiff in a personal damage case against a corporation. What a chance?

NEW DATES ANNOUNCED FOR MISSISSIPPI

Secretary Griffith of the Mississippi Bankers Association has sent out notice of a change in dates for the annual convention in that state. As now arranged the convention will be held on May 21st, 22d and 23d at Gulfport. The secretary expects to issue an outline program in a few days.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

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St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, March 12.—Practically no change worthy of note has transpired in the St. Louis monetary situation during the past week. There is a slight stiffening in rates, but the demand causing this is entirely from the outside. The local demand for money is practically nil, for the principal reason that the chief St. Louis borrowers are shoe, dry goods, and similar people, who get paid around April, hence are not in the market for funds at this time. Offerings of commercial paper of good quality are heavier than they have been for many a day. Bills which recently were selling at $3\frac{1}{2}$ per cent are now going at 4 per cent, and during the last few days some very excellent paper bearing $4\frac{1}{2}$ per cent has been purchased by local banks. One most promising sign is that railroads in this locality are beginning to show life as borrowers. It is doubtful if any factor just now could be more beneficial than active buying by the steam roads, as nearly everyone feels the benefit when they begin to spend money. That the roads must soon get heavily into the market is felt as a conviction on all sides, but just how long they will be able to defer their entry is uncertain. It is believed, however, that the powers in the railroads begin to scent approaching higher money, and will be likely to jump in before it actually arrives. Things in the country look bright. For wheat, hay and fruit crops, barring possibly peaches, the weather has been ideal, especially in the Southwest. Moisture has been abundant, and in the form of snows, which is the most desirable. Reports from sections where the growing crop has come from under the snow indicate a high condition. Floods will doubtless occur in many sections, but these will be largely local, and will be more than offset by auspicious conditions over the great area of the grain belt.

Huttig Continues to Improve

The last advices from Charles H. Huttig, president of the Third National, who is in New York, are to the effect that his health has been almost completely restored, and that he will probably return to St. Louis some time in April.

Stockholders in Local Banks

The annual list of stockholders of St. Louis banks and trust companies, compiled for purposes of taxation, has been published, and contains some interesting facts. Returns were made last June by the various institutions for assessment of taxes due in September, 1912. At this time there is nothing obtainable to show certainly whether the assessed valuation will show a gain over 1911, however taking

total capitalization, surplus and undivided profits as an index, a possible gain is indicated. The list contains twenty-eight banks and eighteen trust companies. The forty-two institutions making clearing house statements have a total capital of \$41,500,000, total surplus of \$33,035,272 and total undivided profits of \$10,861,155, giving a grand total of \$85,396,247, as comparing with \$84,708,910 in 1911. This gain may be offset by a lowering in the valuation basis of the assessment on bank shares. In 1911 the valuation basis was 55 per cent, and the state board of equalization has changed it to 50 per cent for 1912. The tax rate for the present year is still under adjustment. Last year it was \$2.22 on the \$100 valuation. Two cents has been added this year on account of the new State Capitol building fund. It is likely the rate here will be held down to \$2.22 by a shaving of the city tax rate, a thing the comptroller is now working on. The assessment is determined by adding capital, surplus and undivided profits, and subtracting from this the assessed value of real estate on which the bank pays taxes, and taking 50 per cent of the remainder. This year the banks hold real estate valued at \$7,436,736.

Deposits at a High Level

Deposits do not concern taxation, but this item is an excellent guide to the relative importance of each institution, and is included in the published statement. The forty-two institutions, with banking departments, have total deposits of \$326,947,675, according to the latest statement, while at the corresponding period in 1911 the total was only \$303,932,121. There were twenty-seven active banks and fourteen trust companies doing a banking business in the 1911 list. The Night and Day Bank is an addition since last year, while the City National and Washington National have been dropped, having completed their liquidation. In the trust company group the Chou-

teau Trust Company and City Trust Company are newcomers. The Lincoln and Germania trust companies have disappeared since the 1911 assessment, having wound up their affairs and retired from the field. Since the tax return was made the Commercial Trust Company has transferred its banking department to the Union Station Bank. Two new institutions, the Tower Grove Bank and East-on-Taylor Trust Company, do not appear, they having been launched since June.

Bank Stock as Investments

One striking feature of the statement is the fact that St. Louisans hold the stocks of their financial institutions in high esteem as permanent investments. The various lists show stockholders who have held their shares for years and years, and the number of shareholders is always increasing. All told, the list contains 10,500 stockholders, 6,767 in the banks and 3,794 in the trust companies. There are relatively few not residents of St. Louis, and it is shown that in no other city in America are the banks and trust companies so completely owned by home investors. A comparison of the 1912 list with that of 1911 shows few changes, and these are of minor importance. There is a decided tendency among St. Louis investors to consider their bank stocks as permanent investments, rather than speculative, though there have been ample opportunities for big profits in the rise in values during the past few years. The active banks and trust companies are represented by 415,000 shares. They have approximately 9,000 stockholders, which gives an average of 46 shares to each holder. The average book value of these shares is \$205, a gain of \$3 over 1911. The market value is considerably greater, say as a conservative estimate, \$250 a share, which gives a total commercial value of \$103,000,000. The only bank having more than 500 stockholders is the National Bank of Commerce, which has 2,100. Some of the others are: Mechanics-American, 493; Third National, 448; Boatmen's 431; State National, 348; Merchants-Laclede, 285; Central National, 290; Commonwealth Trust, 592; Mississippi Valley, 562; St. Louis-Union, 465, and Mercantile Trust, 430.

Revenue Indicates Activity

The February report of E. B. Allen, collector of internal revenue for this district, shows a large increase in corporation tax receipts and indicates strongly a return of activity and prosperity in general business. An increase of \$32,000 over the corresponding month last year is shown, which represents

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Capital and Surplus**\$3,000,000**

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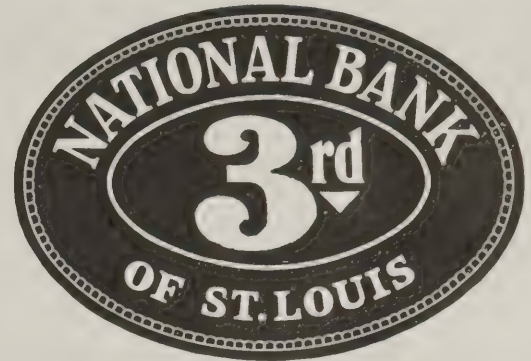
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\$2,000,000**SURPLUS**
\$2,000,000**DEPOSITS**
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gross earnings of the 7,500 corporations in the district of \$3,200,000 over those of February, 1911. Mr. Allen says that during the last year more than 600 new corporations were established in this district. Local bankers and business men who have analyzed the report take it as indicating a material revival in commercial activity, as the revenue returns are considered a good barometer, second only to bank clearings.

Clare-Avery's Credit Talks

The series of lectures by E. B. Clare-Avery, assistant cashier of the Merchants-Laclede National, before the local chapter of the American Institute of Banking, are causing wide favorable comment. The talks, which are given every Thursday evening at the Central Branch of the Y. M. C. A., have been largely attended, not only by chapter members, but by business men and financiers generally. Mr. Clare-Avery has a thorough understanding of his subject, and the valuable faculty of placing it clearly to his audience. He is considered one of the best authorities on credits in the West, and has devoted years of study to the subject.

Lauds St. Louis Market

Benjamin J. West, Jr., of Minneapolis, who has been in St. Louis negotiating loans of several million dollars for Minnesota corporations, speaks in high praise of St. Louis as a money market. Mr. West says he found vast sums here seeking good investment, and that the principal demand for loans came from Texas and other southwestern states. "While St. Louis financiers are willing to accommodate southwestern enterprises," said Mr. West, "they also look with favor upon the

northern country. They seem to be well satisfied, that the Northwest is in for a period of prosperity and development. The savings in the middle western states are enormous, especially Missouri and Iowa. St. Louis bankers are enterprising and on the job. They are eager to expand the territory of their activities, and I found it the most satisfactory money market I ever dealt in."

Missouri-Lincoln Trust

By a vote of 14,036 to 1,643 the stockholders at their meeting Monday, agreed to the plan for reorganization. The plan provides for a decrease of the capital stock from \$3,000,000 to \$500,000, the cancellation of \$500,000 treasury stock, an issue of \$500,000 additional stock, by which the revamped company will have a capital of \$1,000,000, and the liquidation of the \$750,000 indebtedness to the Mercantile Trust Company. The stockholders will exchange five shares of old stock for one of the new. It is proposed to borrow \$300,000 on the Liggett building, owned by the Missouri-Lincoln, which with the proceeds of the new stock, will get it out of debt so far as the Mercantile Trust Company is concerned. A saving of over \$35,000 a year in interest and commissions will be saved by this stroke.

BANK PAYS SECOND DIVIDEND

Vancouver, Wash.—Four hundred and thirty-five depositors of the Commercial Bank of Vancouver, which is in the hands of M. B. Kies, receiver, collected their second 10 per cent dividend on March 1st. The first dividend, 10 per cent, was paid last May. There are about 1,200 depositors.

COMMERCIAL PAPER HOUSE ON TRIAL

The "trouble" department of George H. Burr & Co., one of the leading commercial paper houses in the country, has had a busy week of it over the affairs of the McCrum-Howell company. Burr & Co. were the fiscal agents of the vacuum cleaner trust, a feature of the business which the McCrum-Howell company adopted in addition to their regular business of making heaters, boilers and other builders' hardware. Burr & Co. sold millions of the commercial paper of this firm, placed most of its stock, made a market for it and established the credit of the firm in the leading banks all over the country. The shares of the corporation have fallen off in the market until there is no sale for them practically at any price. Burr & Co. are on trial before their friends and customers as to whether or not they will be able to protect the banks which have taken the paper and their clients who have purchased the stock. It is said that the members of the firm believed so thoroughly in the future of the corporation that they nearly all invested in the McCrum-Howell stocks. Some of those who take a gloomy view of the future of the concern think that the debts will be paid, but that the stockholders eventually must lose. There is a present opportunity for Burr & Co. to demonstrate the safety and usefulness of an intermediary in the making of credits and in financing industrial corporations.

A. E. Schenk, formerly a banker of Presho, N. D., has come to Spokane to engage in law, and has awarded contracts for a residence to cost \$4,600.

Editorial Comment

AN EFFECTIVE COUNTER-MOVEMENT

The published records show that within forty-eight hours after the funds of a western miners association had been attached to pay the losses of property owners on account of rioting by striking miners, there was an end to this form of law violation. A similar case in point is that of the British government against the militant suffragets. Never once was there a lull in the window-smashing crusade until the government attached the funds of the two rival "Votes for Women" organizations. This is not a new weapon, but a very effective one. In the years that one can remember, hundreds of violations of the law might have been avoided totally by prompt attachment of the funds raised for the support of the strikers, and of the funds controlled by the unions directing their movements. The city of Chicago for nearly ten years stood by and saw violation after violation of the statutes by members of the press-feeders. Men, women and children were slugged relentlessly on the public streets of the city, with scarcely an arrest to show that the police were aware of what was going on. Finally, a fearless judge impounded the funds of the organization and attached all of their books and records and brought them into court. It put an absolute end, for the time, to that form of rioting, known as picketing and slugging. Other instances might be mentioned, but these are very eloquent and ought to form the basis of a new policy for those who are obliged to contend with the demands of organized labor, when an attempt is being made to enforce them by striking, by rioting, and by the destruction of property. The federal courts probably would support such a movement, since very little harm could come from tying up the funds of a labor organization, and none of the money would be used unless the members of the organization wantonly destroyed the property of the state or of the corporations against whom they were contending. Physical arrest and imprisonment are very difficult and unsatisfactory. There seems to be almost as much of a bond of sympathy between the police forces of the large cities and the striking union workmen as there is between the police and certain other violators of the laws of the country. No use would be made of the funds so attached, except in payment for willful damage caused by the rioting of the strikers. The McNamara defense funds would better have been attached than to have been used in "getting a jury." Thousands of dollars of property and nearly two score of lives was the toll of the structural iron workers' dynamite policy. All of their known funds should go where they can be applied toward wiping out the damage done. The families of the Los Angeles victims could use a share of the de-

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

fense money if awarded it by the courts. It might be worth trying?

TAFT AND THE BUSINESS INTERESTS

President Taft ought to feel very much encouraged over his visit in Chicago on Saturday last, chiefly on account of his vociferous reception by the staid and exclusive members of the Union League Club. He was tendered a formal luncheon by that institution and more than seven hundred members sat at the tables which were grouped about that occupied by the President and guests of the club. In all of the history of the club there never was a larger nor a more enthusiastic gathering. It also was the first occasion at which the members of the club were permitted to hear the President speak when truly at his best, both as to physical condition and subject in hand. When he had reached the club-house heretofore, it was as a sort of a refuge from banquets, receptions and speech-makings, and in a completely tired-out condition. One non-resident member, Banker Forbes, of St. Joseph, Mo., came five hundred miles to learn directly just where the President stands on the financial and business issues of the day. He nor no one present was disappointed in the least. The cordial reception by the men at the head of the big financial and business interests of Chicago seemed to give the chief executive courage as he proceeded. After touching upon trust regulation and his "peace by arbitration" policy, the President approached the climax of his short oration, the recall of judges and judicial decisions. It was at this point that the club members seemed to forget themselves entirely, and the President's voice was completely drowned out after he had shouted that, so long as he is in control, he will "oppose by every force at his command the adoption of any such radical policy as would give the country cowardly and timorous judges, leaving to the people at the moment the power to recall decisions even when based on constitutional grounds." The applause was so long and so loud that the President sat down and allowed his auditors to finish that part of the meeting. If anything ever did show the trend of business and financial opinion in Chicago toward the saner policies of the present administration as compared

with the prospectus recently issued by a rival candidate, the Union League function on last Saturday settled it.

BORROWING MONEY WITHOUT COLLATERAL

It has appeared in the trial of an ex-banker at St. Louis that it was his custom to boast that he would start a bank of his own and "borrow money direct from the people without collateral." This idea is largely what got him into trouble with the government. He had his bank in successful operation, but the authorities deemed it a misuse of the mails to offer through them the inducements which he held out to depositors. Directly upon receiving the money in the bank it was used in the exploitation of a large "addition to St. Louis"; in short, the business was so involved that even the equities rapidly began to disappear. Word now comes that way out at Bryn Mawr, Wash., a number of individuals, who are conducting a mental science school of healing, have started what they call a "panic-proof bank." It is to be run on very novel lines, if one can believe the prospectus to be a fair representation of the plans. It may be that the authorities will find the enterprise worth looking into. It is not deemed that the managers are dishonest or unworthy, but unless the banking proposal meets with the usual requirements of the law, it would be well to correct the matter before it gets under too much headway. The promoter says that his object in establishing "our bank," is to put before the world of financiers a true and systematic working system that will insure to every depositor in a bank the return of his money on call. He says further, that, in order to carry out the workings of the present system of finance, when the people want to get rid of debts and to be independent financially, they can do so. He not only agrees to take care of the money of his depositors faithfully, but offers to find positions for girls, boys, men and women, who desire to become connected with that institution, "and thus become successful financiers." The promoter further calls his plan a "new system of banking." Even a casual reading of his prospectus will convince anyone that the system is "new."

TAFT'S IDEA OF THE RECALL

In one of his Chicago addresses President Taft spoke strongly against the recall of judges and of judicial decisions. The policy which he favored was the changing of the law or the amendment of the constitution, if necessary, to meet the public will if it ran counter to the decisions of the courts. A case in point has occurred since the President's Chicago address. The supreme court of the United States, by a vote of four to three, decided on Monday last that the owner of a patent is en-



The Northwestern National Bank

MINNEAPOLIS, MINNESOTA

Capital and Surplus, \$5,000,000.00

The purpose of this bank is to give the highest grade of financial service to all who do business with it. Its record in the Northwest for forty years, and its steady growth in that time, stand as the justification of this purpose.

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titled to a monopoly, and to the use or disuse of the patent as he may see fit, to the exclusion of all attempts by other people to benefit by the invention. Instead of having a recall fulminated against this decision, as per the Roosevelt plan, it has been proposed already in Washington to amend the patent law with every prospect of success. The dominant policy of the country seems to be against the purchase of patents by monopolistic combinations for the sole purpose of suppressing rival and better inventions than the ones in use. These rich corporations approach the poor patentee and offer him a large royalty for a complete assignment of the patent. They then throw the papers up on a shelf in a back closet; the patentee has lost his patent, none of the machines are manufactured, and he gets no royalty. President Taft's idea is to be put into practical demonstration almost immediately after his public utterance. If congress will enact a law whereby any manufacturer can bid for the use of a suppressed patent, and thus benefit both the public and the patentee, it will be a lasting rebuke to growing monopolistic dealing in the suppression of new improvements and useful inventions.

SIDE-LIGHTS ON MR. PARKER'S CHARACTER

It is well known that the late E. J. Parker of Quincy was the father of that city's splendid park and boulevard system, and for twenty-one years was president of the association having the improvements in charge. Landscape gardening and tree-planting were hobbies of his. It is related that as late as last year, while on a visit to Jacksonville, this state, he called upon his old friend, Andrew Russel, chairman of the board of trustees of Illinois College, located at that place. Mr. Russel took his guest out to the college grounds, which are quite large. It was apparent from the first that the arrangement did not suit Mr. Parker's cultivated taste. He suggested to Mr. Russel that a set of plans should be adopted covering all the property owned by the college, and that during the years to come, those connected with the management could work up to the general plan. Upon his own suggestion, and at his own expense, Mr. Parker had a well-known Chicago landscape artist visit the college grounds and prepare a drawing. It was Mr. Parker's idea that many of the residents of Jacksonville and vicinity, if they saw a set of well-prepared plans, would make contributions of money, labor or mate-

rials toward bringing about the desired result. These plans now are framed carefully and hang in the board rooms of the Illinois College.

Mr. Russel was a little astonished to have his attention called by Mr. Parker to the fact that a piece had been broken off the top of the flagpole, which surmounts the administration building. The visitor said that he did not believe it to be in a safe condition, and asked the further privilege of having a new pole secured and erected at his expense. This he did promptly, and paid the bill, amounting to \$80 or more. The plans for the improvement of the college grounds cost in the neighborhood of \$200, all of which was paid by Mr. Parker in his own quiet and unostentatious way, without any red tape whatever. He simply had the work done and the bills forwarded to him.

FOR CONGRESSMAN-AT-LARGE

Many voters are perplexed by the fact that this year they are called upon to vote for members of congress-at-large from Illinois. This has occurred but twice before in forty years, and means that the population of the state has increased so rapidly that Illinois now is entitled to twenty-seven congressmen instead of twenty-five, and that the state has not been redistricted. There are six candidates before the republican primaries for this position. Chicago has increased six hundred thousand in the time that all the rest of the state has increased but two hundred thousand, and will claim one of the extra congressmen. When the state has been redistricted according to its present population, this northeast corner will be entitled to thirteen of the twenty-seven members of congress.



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"THE TREND OF INVESTMENT" A VALUABLE BOOK

Not in many years have bankers or investors seen such a valuable, interesting and pretentious work as the new book just published by the well-known investment banking firm of D. Arthur Bowan & Co., Third National Bank Building, St. Louis, Mo., with the title "The Trend of Investment."

Chicago bankers and others who have seen the work declare it to be one of the handsomest and best contributions to the cause of scientific investment education. The work possesses particular value, however, in that it not only explains in brief and direct manner the fundamentals of the good investment, but carries with it a number of sound and practical suggestions for the investment of funds in the safest and most approved manner. The book, which already has attained a very wide circulation, is being sent to all bankers and investors on request, and, as indicated, will be found of the utmost interest and profit in the reading.

FIRST NATIONAL, HOUSTON

At a meeting of the shareholders of the First National, Houston, Texas, held recently, it was unanimously voted to increase the capital stock of the institution from \$1,000,000 to \$2,000,000, in line with a resolution passed by the board of directors at a meeting held by that body in January.

All of the new stock was immediately subscribed and paid for by the shareholders of record, each taking the portion of the new stock to which he was entitled, and a certificate of the proceedings of the meetings was promptly forwarded to the comptroller of the currency at Washington for his final approval.

This is the third time within the past six years that the capital stock of this bank has been increased, the first being in 1906, when it was increased from \$100,000 to \$500,000, again in 1909, when it was further increased to \$1,000,000, and now to \$2,000,000, with surplus and undivided profits of \$275,000.

During the past four years the volume of business done by the First National has more than doubled, with deposits of less than \$4,000,000 in February, 1908, to more than \$9,000,000, as shown in the statement made on the 20th of February, this year, pursuant to a call from the authorities at Washington.

LARGE PURCHASE OF GOLD NOTES

Chesapeake & Ohio Railway Company has sold to Kuhn, Loeb & Company and the National City Bank of New York, \$3,500,000 of 4½ per cent gold notes, due June 1, 1914. This is part of an authorized issue of \$25,000,000, of which \$16,000,000 has been issued.



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A Decade of Growth—Comparative

United States	1900	1910	Per Cent Increase
Population.....	75,994,000	91,972,000	21%
Wealth.....	\$88,517,000,000	\$125,000,000,000	41%
Money Circulation.....	2,055,000,000	3,180,000,000	54%
Savings Bank Deposits ..	2,389,000,000	4,070,486,000	70%
National Bank Deposits ..	2,458,000,000	5,287,216,000	115%
Bank Clearings, U. S.	84,582,000,000	158,559,487,000	87%
Bank Clearings, N. Y.	51,964,000,000	99,257,662,000	91%

Irving National Exchange Bank

	1900	1910	Per Cent Increase
Capital.....	\$ 300,000	2,000,000	566%
Surplus and Profits	100,900	1,797,900	1681%
Deposits.....	3,446,500	28,360,200	722%
Assets.....	4,108,800	33,347,200	711%

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R. J. CARMICHAEL, D. P. A. Phone Central 6270

Alexander Dunbar of Pittsburgh on Deposit Building

The first thing that usually enters a banker's mind, in connection with deposit building, is the matter of advertising, and this is where a great many mistakes are made. Advertising is not the first question to be considered by any means, as it not only is an expensive practice, but the results frequently are disappointing. This, however, is the fault not of advertising, so much as of the policy of the advertiser. Let it be understood, therefore, that it is my intention not to condemn bank advertising, but merely to show how the advertising question should be made a part only of a business-getting policy, and should be studied carefully and a definite line of action established, before any money is expended. Otherwise, it simply means a matter of "words without action."

Before entering upon the question of bank advertising, however, let us consider several other points, which seem quite important to the permanent growth of a banking institution.

First of all, it seems to me that we should set our house in perfect order before inviting new customers, the same as our wives prepare and decorate our homes before extending invitations to guests for an afternoon tea. In addition to this, the hostess sees that all servants are dressed neatly, and are trained to receive the guests politely and to extend every attention for their comfort. The hostess also dresses in her prettiest gown and keeps herself in the midst of her guests to see that everyone has proper attention and a delightful time.

This domestic picture illustrates most splendidly the initial steps a banker should take before extending invitations to prospective customers. Too much emphasis cannot be placed upon the importance of the selection of employees to meet and serve the customers. This matter should have the banker's first attention. For example, the tellers should be trained to work facing their windows, and taught to serve customers immediately, without waiting to finish any other inside duty. There is nothing more exasperating to a cus-

tomers than to be compelled to wait at a window until a teller finishes a conversation over the telephone, or with another employee, about an unimportant matter. I tell you, gentlemen, it is good service to the public that counts more than any other thing in securing new business and keeping old customers. Do not make the mistake to tolerate slowness or inefficiency upon the part of any employee in serving customers, even if you have to remove the employee, in order to gain the service. Service is vitally important to the success of deposit building.

If, however, these vital points are explained carefully to the average employee, he doubtless will pay strict attention, as the importance of same is self-evident.

To my mind, there are three things that go to make up a first-class bank employee, namely: (1st) Unimpeachable character; (2nd) Genial personality; (3rd) Ability.

Of these three things, the first two strike me as being most important, and I would select a clerk with a majority of his make-up in character and genial personality, rather than one of unusual ability but lacking in the other two qualifications. The general public usually cares little for more than average ability, as too much ability often carries with it oddities which breed unpopularity.

The next important matter, it seems to me, is the janitor service of the bank. Your bank should present always its best appearance to customers, and, above all, be cleanly and orderly at all times. From the cashier's desk down, everything should be in order, and all old books, papers and unnecessary documents removed from sight. If you keep your bank orderly, your customers will have more faith in the safety of their deposits, as they have a right to judge that your books and files are kept in exactly the same condition. I tell you, gentlemen, these things may seem small but they count much more than one thinks.

The next important thing is never to allow your employees to argue with a customer. Should there be a misunderstanding, the officers are the best persons to handle the matter,

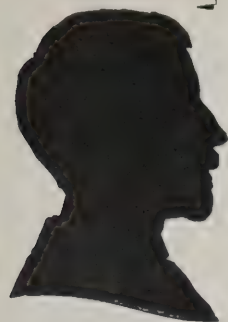
and the clerks should be instructed to refer the customer to an officer. The average person is more willing to listen to an officer than a clerk and the officer therefore is in better position to adjust the matter.

One of the best ways to teach employees the art of properly caring for customers is by having the officers set a good example. Employees are quick to adopt the ways of an officer, and you cannot be too careful upon this point.

A meeting of the employees of a bank with its active officers at least once a month is strongly recommended, at which times employees can be told the advantages of polite treatment to customers, and consider other matters of general interest to the bank. Suggestions should be solicited from employees at such meetings, looking toward the improvement of the service. These suggestions should be given careful consideration, and subsequently adopted, if considered wise. It will be astonishing to find how many splendid suggestions are made, from time to time, by employees.

Probably the best advertising medium a bank can have is the voice of a satisfied depositor, and good service will bring favorable comment from all customers served, especially women depositors. Satisfied women depositors are better advertisers than men, as the average man will voice his satisfaction in a very few words, while a woman will talk half an hour on the same subject, and usually at a time when a number of ladies are present. For this reason, a comfortable ladies room should be arranged by every bank, where ladies can make appointments or use the telephone. The latest magazines and fashion books should be kept on the table for their use.

Next in order seems to be the question of advertising. As stated before, the results secured from advertising frequently are disappointing, because most bankers expect advertising to get them business, which it fails to do, with the possible exception of savings accounts. Commercial accounts and most sav-



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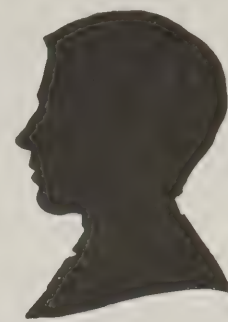
John Everett, C. P. A., President

Everett Audit Company

Randall J. Everett, Secretary

Chicago
79 W. Monroe St.

Eric J. Everett, C. P. A., Vice-Pres.



ings accounts are secured by personal effort, and not by advertising. Your newspaper advertisement merely serves as an introduction and fixes the location of the bank in the mind of the public. Such advertisements should be most carefully prepared and should not contain everything the cashier can possibly think about concerning his bank. Each advertisement should emphasize but one important thing, leaving other things to be said later. In my opinion, a bank advertisement should not appear daily, and not twice alike, because it becomes too common, and therefore awakens no comment. I would recommend strongly six times the space each sixth day, rather than one-sixth of the space daily. Do not copy other "Ads." Say something about your bank in your own language, but avoid anything sensational or cheap. Be brief. Maintain the dignity of your institution, and remember always that it is not the "ad" that gets the business, but your personal effort afterward.

Now, you inquire what do I mean by personal effort? Simply to get in personal touch with all prospective customers, and be careful not to neglect your present depositors. This can be done best by making a list outlining a number of persons whom you would like to see transact financial business with your bank and place such names in a pocket memorandum book. Set aside thirty minutes each day, for calling upon such persons, marking the list in the memorandum book, to show the prospects in each case. The first call, of course, should simply serve to get acquainted with the prospective customer and, before leaving, extend a personal invitation to visit your bank. If you succeed in getting him inside your institution, and if your clerks are smiling and attentive, you have every chance in the world to get his business, particularly if the surrounding banks are delivering a less attractive service. No prospective customer should be called upon until after you have looked him up carefully and feel sure your board would be willing to extend him such credit as he probably will need in his particular line. Strictly avoid competing for business by offering higher rates of interest.

You should call to see your stockholders periodically, and get them interested in bringing the bank to the attention of their acquaintances. In addition, you might secure from them a list of such acquaintances, to be called upon later by you.

Directors, as a rule, are very busy with their personal affairs, but if the officers take time to map out the various channels, where the different directors have influence, they will find it easy to get them to do the rest. It is lack of thought more than lack of desire that often makes a director of little use in building up bank deposits.

The officers of the bank, of course, must always exercise discretion and good taste in going after business, through personal effort, but it will be found most effective if properly handled. Nothing permanent or worth while

these days can be gained, except by personal sacrifice, or personal effort, and each day it is becoming more true in all lines of business, including banking. All ambitious bankers should enter active service as soon as possible, in order to get that much of a lead on their competitors.

Finally, I strongly believe that every banker should have a hobby, something for personal recreation, inasmuch as his daily routine work is of most serious character and he needs exercise in the open air to brush up his mind and keep his countenance smiling. One of the best forms of out-of-door exercise for the banker is the game of golf. He should therefore be careful to set aside a few hours each week to this game, or some other one equally pleasant. The few hours thus spent may seem lost at the time, but will be more than made up by increased efficiency at other times.

Activity is the "watchword" of to-day, and the active, healthy banker with a smile on his countenance is the banker who will succeed every time.

BANKING FOR LAND DEVELOPMENT

Senator Gronna, of North Dakota, has introduced in the senate a resolution asking for the appointment of a small commission to investigate the operation of co-operative land-mortgage banks and rural credit unions in other countries. He proposes to lay the foundation for a national policy of farm and land banking. Senator Gronna, as do many of the members from the western states, feels the need of some land-banking system that will afford a cheaper and more available source of money for agricultural development

than is offered in many sections of the country. Through the central agricultural states where farm values are pretty well fixed, and mortgage laws afford easy protection, there is no great need for such "farm banking," for in them the rates of interest on farm loans are generally down to 6 per cent, and on large loans money is often available at 5 per cent. In other words, in these states the farm security is almost on a par with that of good municipal and industrial bond issues, the slightly higher rate being due to the fact that farm loans are for short periods and liable to be paid off any time and are subject to full taxation, which often reduces the net interest to a point lower than that of municipal, county and even state issues. But in those states where money still hovers around 8 per cent, or is up to 10 per cent or more, and even at that is not in all sections easily available, there is need for some form of those farm loan banks or co-operative unions which are such a prominent feature of almost all other agricultural countries, from Germany to Australasia.

GROUP 7 OF ARKANSAS

Group 7 of Arkansas met in Pine Bluff on Thursday as the guests of the Pine Bluff Clearing House Association. There were morning and afternoon sessions devoted to speaking and business, and an evening session at which C. L. Boye of the Mechanics-American, and E. C. Stuart of the Third National, both of St. Louis, made addresses. A banquet was served, and later the guests visited the Elks Theatre, where a special performance was given. One of the addresses which attracted considerable attention was by Simeon Whitestone, entitled: "A Packing House for Pine Bluff." This was discussed generally, and the impression left upon the visitors that the one thing which Pine Bluff really needs to make her happy is a packing house.

PUTTING IN A BOND DEPARTMENT

A careful study of the various bond departments maintained by the Chicago banks and trust companies is being made by C. R. Parker of the Anglo and London Paris National of San Francisco. This is one of the biggest and most important banks on the Coast, having deposits of something over thirty millions. The trust company department is under good headway. Mr. Parker is one of the younger members of the staff, upon whose efforts a great deal of the bank's success depends. Chicago bankers are extending every possible facility for his information, and are placing records, blanks and business policies at his disposal. Mr. Parker believes that a thoroughly organized bond department will pay well in San Francisco, and it is the intention of his bank to give it a fair trial.

Kingman, Ariz.—The Citizens Bank has been organized with a capital of \$50,000.

MAUSOLEUM



The above is one of our classic four column front mausoleums. We have erected many hundreds of mausoleums ranging in price from \$2,000 to \$100,000. The private mausoleum is the least heartrending method of caring for the deceased.

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KANSAS CITY, MO.

ESTABLISHED 1865

Capital, \$2,000,000

GEO. D. FORD, Vice-President
J. J. HEIM, Vice-President
WALTER S. DICKEY, Vice-President

J. W. PERRY, President
W. L. BUECHLE, Vice-President
CHAS. H. MOORE, Vice-President
JAS. T. BRADLEY, Cashier

Surplus, \$500,000

CHAS. M. VINING, Assistant Cashier
W. H. GLASKIN, Assistant Cashier
JAS. F. MEADE, Assistant Cashier

Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

"Although the people of the Central West have not yet dug themselves out of the snow," said President J. R. Dominick, of the Traders National of Kansas City to the correspondent of THE CHICAGO BANKER, "this very snow is the best thing that ever happened. There has been so much moisture that little more will be needed to insure a wheat crop over this section and naturally bankers are feeling good. From letters which I have received from all over our banking territory I am certain that conditions could not be better. Of course, there is as yet comparatively little movement of any kind. Trains are not running on schedules, and spring business has not opened up. That cannot be expected for some time yet. But every pound of snow that has fallen means wheat and corn and other crops, and just as soon as the farmers are able to get into their fields operations will open up with a rush. Financial conditions generally are far better than this time last year or the year before that. If we can't be optimistic over the present outlook, we are a hopeless lot of people."

Railway Company in Hands of Receivers

The most talked of subject among Kansas City financiers during the past week was the receivership of the Kansas City, Mexico & Orient Railway Company, which resulted from a petition of the English bondholders of the enterprise. Judge Pollock of the federal court appointed three receivers. They are Edward Dickinson, vice-president and general manager of the company; J. O. Davidson of Wichita, and M. L. Turner, one of the leading bankers of Oklahoma. The receivers will take charge of the property at once. Last year's annual report of the company showed outstanding \$12,500,000 common stock, \$12,500,000 preferred stock, \$2,000,000 of funded debt and \$8,500,000 of other liabilities. The latest available report of operations of the road is for the five months ending November 30th, last. It is for 809 miles of road and shows for that period gross earnings of \$794,439 and total operating expenses and taxes of \$823,793, leaving a deficit of \$28,364. The bill of complaint giving reasons for the action of creditors states: "By the terms of the concession granted to the company for the building of its road in Mexico the right to build at all and the subsidy promised by the Mexican government both will soon be forfeited unless some further work speedily is done toward the building of the road in that republic, in which case all the property of the company in Mexico would be lost to the company and its creditors." The subsidy promised by the Mexican government was \$5,310,000 in

Mexican silver dollars, of which amount \$2,245,000 has been paid. The road as originally projected is to extend from Kansas City to Topolobampo, Mexico, a distance of 1,659 miles. Nine hundred and ninety-eight miles have been completed and trains are now running over that portion of the road. The original cost of the road was estimated at about \$23,000,000, and twelve years ago it was announced that a third of the amount had been secured. The officers of the company are: A. E. Stillwell, Kansas City, president; Edward Dickinson, Kansas City, vice-president and general manager; E. C. Creel, Chihuahua, Mexico, vice-president; John F. Wallace, New York, vice-president, and J. S. Braithwaite, London, England, vice-president. Mr. Stillwell was the promoter of the Kansas City, Pittsburgh & Gulf Railroad, which is now the Kansas City Southern.

Corn Exchange National of Omaha

The reorganization of the Corn Exchange National of Omaha was completed last week, when H. S. Clark, Jr., of Mitchell, Neb., took over a large block of stock in co-operation with T. W. Auld, who was recently elected president. This places the control of the bank in the hands of Mr. Auld and Mr. Clark, the latter having been elected vice-president. Mr. Clark is known throughout the Central West for his success as a banker, having been in the business continuously for twenty years, beginning when he was a very young man. He comes from a family of bankers. His father is a pioneer banker of Iowa, having been actively engaged in the business since the early fifties and retiring recently from the active management and ownership of the First National Bank of Creston. H. S. Clark, Jr., will move from Mitchell to Omaha. He has been in the management of the First National of Mitchell for the last ten years. He is also the owner of two first national banks in northwestern Nebraska and eastern Wyoming, and is president of each. This announcement disposes of various rumors in connection with the reported absorption of the Corn Exchange National Bank by other Omaha banks.

Settlement of Guaranty Controversy

The prospect seems bright for a final settlement of the controversy in Nebraska, over the security of the state guaranty fund in protecting public deposits. On account of the fact that public funds in state banks are now sharing in the protection of the bank guaranty law, which provides that no other security need be given by banks, having such funds on hand, the state board of educational lands and funds has officially released all state

banks that are depositories. National banks, not being under the state guaranty act, must give bond to the state as before. Under the amended guaranty bank law the millions of dollars of state, city, county and school district funds in the hands of state banks are assessed to raise the depositors' guaranty fund. If a state bank fails, the public funds on deposit are treated the same as private funds, and will share in the fund for the protection of depositors.

Public Improvements in Texas

The past year has been an era of public improvements in Texas, as shown by the many state, county and municipal bond issues, which for the year, amounted approximately to \$20,000,000. The Commercial Secretaries and Business Men's Association, of Texas, has just issued a booklet going into detail in regard to Texas improvement bonds of all kinds. The outstanding bonds for Texas are to-day approximately as follows: State, \$3,977,000; county, \$29,331,542; municipal, \$31,549,635, making a total of \$64,858,177. The total bonded indebtedness of the cities of Texas is \$31,549,635. Of this amount the indebtedness of Houston is the greatest of any one municipality, it being \$5,895,000; Fort Worth is second with \$5,191,000; Dallas, third with \$4,112,500 and San Antonio, fourth with \$2,048,000.

Annual Report of Secretary Royse of Nebraska Banking Department

Secretary Royse, of the Nebraska banking department, has submitted his annual report outlining the present status of the Nebraska state banks, and making comment and suggestions upon the conduct of these institutions. He says in part: The period covered by this report is marked by a very satisfactory condition of the banks under supervision; no failures to be reported, in fact Nebraska has not had a bank failure in five years, and only one in eight years. An increase in deposits over the preceding year is shown. While there has been a general slowing down of business the stability of the banks has remained unimpaired. Mr. Royse goes into detail regarding the effects of various banking laws and suggests some important changes in matters of loans and interest rates.

Central West Notes

Austin, Texas, now has a trust company which will open its doors April 1st. The title will be the Texas Trust Company. The officers will be: President, Sam Sparks; vice-president, George Walling, Jr.; secretary, H. A. Turner. Directors: E. P. Wilmot, Austin National; H. A. Wroe, American National,

R. T. FORBES - President
J. E. COMBS - Cashier
R. S. BRITTAIN, Asst. Cashier
R. N. RIDGE - Auditor

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CAPITAL \$500,000
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We solicit your business and
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Correspondence invited :: ::

Austin; Chester Thrasher, Citizens Bank and Trust Company, Austin; Walter Bremond, State National, Austin; J. Z. Miller, Commerce Trust Company, Kansas City; H. E. Ford, N. A. Stedman, C. P. Ledbetter of Austin and Carl Nelson of Round Rock, Texas.

W. D. Lewis, a banker at Park Hill, Okla., eloped with his ward, Miss Myrtle Thomas, last week. On the same day the directors of Mr. Lewis' bank of which he was a director, elected him president. Lewis is sixty years old, and his bride is eighteen.

The board of directors of the American Exchange National of Dallas, Texas, last week transferred \$500,000 from its undivided profits to its surplus, so that it now has a capital of \$1,000,000, surplus of \$1,000,000, and over \$250,000 of undivided profits.

The Mercantile Bank of Kansas City, formerly located at 545 Delaware Street, has moved to its new home in the Scarritt building, Ninth Street and Grand Avenue. The entrance will be at 112 East Ninth Street. A reception was held in the new quarters during banking hours on Monday, March 11th, at which George H. Edwards, president of the bank, acted as host.

A deed of trust has been executed by the Wichita Water Works Company in favor of the Farmers Loan and Trust Company of New York to secure the issue of \$2,000,000 worth of bonds issued by the company.

Dr. W. A. Scott of the University of Wisconsin, who is touring the country making speeches in the interest of monetary reform, under the auspices of the National Citizens League, will address the Texas Hardware and Implement Association at its annual convention in Dallas March 26th.

Raymond Hoss, former cashier of the First National of Fairfax, Okla., large cattle and land owner and railway promoter, walked into the Federal building at Guthrie one morning last week and surrendered himself to the United States marshal. Hoss learned that he had been indicted by the federal grand jury on the charge of misapplication and misappropriation of national bank funds, and aiding and abetting an attempt to defraud a national bank. His whereabouts have been a mystery since August, 1910, when he left suddenly. An investigation showed an alleged shortage of between \$75,000 and \$100,000. He has given bond.

Approximately 500 Kansas corporations failed to file their annual statements for the year 1911, with the secretary of state before March 1st, the time limit fixed by law. Within a few days the names of these delinquent corporations will be filed with the Kansas attorney-general, and prosecution will begin.

The Bankers Trust of New York has filed suit in the federal court of Muskogee, Okla., against the Central Fuel Oil Company of Bartlesville, and twenty-five subsidiary companies to foreclose a mortgage of six million dollars.

Mayor Breech of Cleburne, Texas, has received a telegram from the Harris Trust and Savings Bank of Chicago, stating that their attorneys had approved the \$178,000 issue of waterworks bonds. The bonds have been received, and Mayor Breech and Treasurer Nor-

wood have gone to Austin, Texas, to get the final approval of the attorney-general.

The Rockdale State Bank of Rockdale, Tex., has increased its capital stock from \$30,000 to \$50,000.

In order to encourage practical farming methods in its locality, the First Guaranty State Bank of Pittsburg, Texas, has offered a series of prizes to farmers showing the best acre of cotton, the best acre of corn, and the best acre of any other crop.

The First State of Axtell, Texas, has been incorporated with \$10,000 capital. The incorporators are W. W. Warwick, W. M. Nickels, Ed Savage and others.

The following reserve agents for state banks in Texas have been approved: for the First State Bank, Henderson, the South Texas Commercial Bank, Houston; for the Farmers and Merchants State Bank of Teague, the Farmers

and Merchants State Bank of Waco; for the Bank of Normangee, Normangee, the Guaranty State Bank and Trust Company, Dallas; for the Farmers and Merchants State Bank, Winters, the Third National of St. Louis; for the First State Bank of Paris, the National Park Bank, New York City; for the American Bank and Trust Company, San Antonio, the Western National, Fort Worth, and the City National of Galveston; for the Farmers and Merchants State Bank of Waco, the Mechanics and Metals National, New York City; for the Texas State Bank of Fort Worth, the Commonwealth National of Kansas City; for the New Braunfels State Bank of New Braunfels, the Continental and Commercial National of Chicago; for the Citizens Bank and Trust Company of Austin, the Equitable Trust Company of New York City; for the Farmers and Merchants State Bank of Maypearl, the Farmers and Mechanics National of Fort Worth; for the El Paso Bank and Trust Company, the State National of Fort Worth; for the Farmers and Merchants State Bank at Childress, the Mechanics and Metals National of New York City; for the Shepherd State Bank, the South Texas Commercial National, Houston; for the Bello State Bank, of Westoff, the Alamo National, San Antonio, and the South Texas Commercial National of Houston.

The Bank of Vici, Vici, Okla., has been incorporated with \$10,000 capital, by F. C. Hoyt and John F. Windolph, Cestos; Jerry Dick, Vici, and William H. Donahue and W. E. Jaquith of Leiting, Okla.

Among the visitors to Kansas City's financial district last week were: Frank P. Hamilton, vice-president, and M. P. Cook, cashier, of the Oklahoma State Bank of Enid, Okla.; M. F. Ehlers, a banker of Offerle, Kan.; A. G. Sharp, cashier of the Exchange National Bank of Colorado Springs, Colo.

J. W. McCombs, cashier of the Bank of Independence, Independence, Mo., is seriously ill of typhoid fever. Mr. McCombs went to Independence from Adrian, Mo., where he was engaged in the banking business. He succeeded M. G. Wood, as cashier of the Bank of Independence.

GOOD CROPS PREDICTED FOR THIS YEAR

John Davenport, land examiner for Van Sant Investment Company, of Minneapolis, who recently returned from a trip through Central North Dakota, reports that there is a decided improvement in the agricultural outlook generally in this section, stating that the farmers are nearly all raising some corn and some of them putting in a large acreage of corn. He reports also a decided tendency toward diversified farming. Creameries are springing up all over the state and the farmers are realizing the value of having a little milk to sell each day.

Nearly every county now has institutes or conventions which are all teaching better farming, and these are largely attended.

Mr. Davenport expresses the opinion that conditions are excellent at this time of the year for a good crop outlook next fall. The fall rains were heavy, and the ground was thoroughly saturated. The land has usually been well plowed and the farmers are enthusiastic, all ideal conditions for this time of the year.

Convention Dates

FLORIDA—Key West, April 4 and 5; Secretary, Geo. R. DeSaussure, Jacksonville.

LOUISIANA—Covington, April 26 and 27; Secretary, L. O. Broussard, Abbeville.

TEXAS—San Antonio, May 7, 8 and 9; Secretary, J. W. Hoopes, Austin.

OKLAHOMA—Tulsa, May 10 and 11; Secretary, W. B. Harrison, Enid.

ARKANSAS—Little Rock, May 14 and 15; Secretary, Robert E. Wait, Little Rock.

MISSISSIPPI—Gulfport, May 21, 22 and 23; Secretary, R. Griffith, Vicksburg.

ALABAMA—Mobile, May 17 and 18; Secretary, McLane Tilton, Jr., Pell City.

MARYLAND—Blue Mountain, June 20, 21 and 22; Secretary, Charles Hann, Baltimore.

MISSOURI—Joplin, May 21 and 22; Secretary, W. F. Keyser, Sedalia.

KANSAS—Topeka, May 23 and 24; Secretary, W. W. Bowman, Topeka.

CALIFORNIA—Long Beach, May 23, 24 and 25; Secretary, F. H. Colburn, San Francisco.

GEORGIA—Atlantic Beach, Fla., May 24 and 25; Secretary, L. P. Hillyer, Macon.

TENNESSEE—Knoxville, May 29 and 30; Secretary, F. M. Mayfield, Nashville.

NEW YORK—Buffalo, June 13 and 14; Secretary, William J. Henry, New York City.

MINNESOTA—State Agricultural College, St. Paul, June 14 and 15; Secretary Charles R. Frost, Minneapolis.

IDAHO—Coeur d'Alene, June 17, 18 and 19; Secretary, J. W. Robinson, Boise.

PENNSYLVANIA—Bedford Springs, June 18 and 19; Secretary, D. S. Kloss, Tyrone.

VIRGINIA—Old Point Comfort, June 20, 21 and 22; Secretary, Walker Scott, Farmville.

OREGON—Portland, June 21 and 22; Secretary, J. L. Hartman, Portland.

SOUTH DAKOTA—Belle Fourche, June 26 and 27; Secretary, J. E. Platt, Clark.

NORTH CAROLINA—Morehead City, June 26, 27 and 28; Secretary, Wm. A. Hunt, Henderson.

WASHINGTON—Tacoma-Olympia, June 27, 28 and 29; Secretary, P. C. Kaufman, Tacoma.

NORTH DAKOTA—Jamestown, June; Secretary, W. C. Macfadden, Fargo.

SOUTH CAROLINA—Charleston, July 5 and 6; Secretary, Lee G. Holleman, Anderson.

WISCONSIN—Milwaukee, July 24 and 25; Secretary, George D. Bartlett, Milwaukee.

American Institute of Banking—Salt Lake City, Utah, August 21, 22 and 23; Secretary, A. C. Dorris, Nashville, Tenn.

American Bankers Association—Detroit, week of September 9-14; Secretary, Fred E. Farnsworth, 11 Pine Street, New York City.

THE surest indication of a bank's stability is the steady growth of its surplus. The following table shows the increase in the Surplus and Undivided Profits, during the past ten years, of

The Security National Bank Of Minneapolis

1902 - \$160,076	1907 - \$ 799,399
1903 - 242,284	1908 - 1,052,013
1904 - 371,770	1909 - 1,158,687
1905 - 522,346	1910 - 1,438,263
1906 - 698,181	1911 - 1,773,253
1912 - \$2,079,270	

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☐ Mountain climbing, trout fishing, hunting, rowing and surf bathing are only a few of the pleasures to be enjoyed in this land of flowers and mellow sunshine.

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Donald W. Mackerchar, vice-president of the First National Bank, who carries scars from the bullets of "Black Bart," the Michigan penitentiary murderer, made over into a model man by a brain operation, expresses his best wishes for the murderer. News of the outlaw's transformation and prospective parole reached the city earlier in the day.

"Black Bart," or Raimond Holzhay, shot and seriously wounded Mr. Mackerchar and murdered another man when he held up a stage returning from Lake Gogebic, Mich., in 1889.

Mr. Mackerchar was shot in the leg and face. Holzhay was captured later after a battle and sentenced for life. A surgical operation has made him an art student and a model prisoner, and he can be paroled in November, 1913.

"I am glad if they have made a good man of him and wish him well, for he was a bad one then," said Mr. Mackerchar to-day.

Mr. Mackerchar was returning from a fishing trip at the time of the crime, and he said he did not know the man murdered. According to the Michigan prison record "Black Bart" terrorized three states by his daring stage holdups, and his series of crimes, which made him rank among the country's most desperate men, ended with the wounding of Mr. Mackerchar.

Shipping Money into the Country

Banks of Minneapolis have been shipping \$100,000 a day into the country. Country bankers visiting the twin cities are optimistic over crop planting conditions and the prospects.

D. S. Culver's New Home

D. S. Culver, St. Paul banker, is to have a \$13,000 house of brick veneer, 50 by 56 feet on the ground. The foundation is to be of concrete. There is to be ornamental glass, fireplaces, wiring for electricity. It is to be on the north side of Summit Avenue, "the"

street in St. Paul, between Virginia and Western avenues, the premier house in the district for some time. Peter Linhoff is the architect, and L. W. Baumeister, who lives at 1146 Ross Street, is the contractor.

Joseph Chapman, Jr., to Speak at Aberdeen

Speaking engagements continue to pile up for Joseph Chapman, Jr. He is down with other noted orators to talk at the "state builders" meeting at Aberdeen, S. D., March 20th and 21st. The Aberdeen clearing house has invited 625 bankers to be present. Sectional meetings are to be held in various parts of the state.

Gordon C. Smith

Gordon C. Smith of Minneapolis, former assistant to F. M. Kerst, clearing house examiner, has been appointed assistant cashier of the Stockyards National Bank of South St. Paul. He succeeds O. J. Schumacher, resigned.

La Crosse Banks

La Crosse banks have a little surprise for the city. They have on deposit \$57,000 in sinking funds and accumulated interest. W. J. Fries, the comptroller, tipped the little item of news off to the city officials. The fund will enable the city to pay off bonds drawing interest since 1885.

Gains in St. Paul Clearings for February

Gains in clearings at St. Paul for February amounted in total to \$7,535,084 over February previous. The total for last month was \$44,087,933, while a year ago the money cleared totaled \$36,552,849. A St. Paul paper says: "According to the officers of the clearing house the high figures are due primarily to the payment through St. Paul banks of considerable amounts from the railroads on their gross earnings taxes to the state. But inasmuch as February is the shortest month in the year, and includes two holidays, the figures might well be used by the boosters of St.

Paul to add to their already large list of what St. Paul stands for. The statement in detail is as follows:

Date	February, 1912	February, 1911
1	\$1,553,514	\$1,527,025
2	\$1,557,202	\$1,611,463
3	1,626,719	1,315,396
5	1,630,464	1,649,865
6	1,557,132	1,560,147
7	1,675,094	1,391,401
8	2,103,389	1,470,743

Totals	\$10,150,004	\$8,999,017
9	1,843,854	1,497,419
10	1,755,015	1,300,504
12	Holiday	Holiday
13	1,942,930	1,789,867
14	2,166,339	2,001,420
15	1,600,567	1,605,995

Totals	\$9,308,707	\$8,195,205
16	1,613,907	1,498,337
17	1,714,050	1,506,096
19	1,872,736	1,442,079
20	1,758,425	1,489,436
21	1,854,919	1,752,533
22	Holiday	Holiday

Totals	\$8,814,038	\$7,688,482
23	1,944,593	2,345,200
24	1,788,750	2,227,233
26	2,575,937	1,879,371
27	1,923,290	2,216,717
28	3,241,858	2,242,183
29	2,787,239	2,327,756

Havill Fined \$1,500

O. H. Havill, president of the former State Bank of Bowlus, and once head of the state association, convicted in February of receiving deposits after the bank was insolvent, has been fined \$1,500 by the court at Little Falls, Minn. A motion was recently made for a new trial and hearing was set for March 11th. It

WILLIAM J. BURNS, President. Formerly U. S. Secret Service. Late San Francisco, Cal., Graft Prosecution

RAYMOND J. BURNS, Secretary and Treasurer

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was announced on that date that the defense and state attorneys had come to an agreement that, if the court was so disposed, a fine would be agreeable, when the defense would withdraw its motion, and the state would move to dismiss another case against Mr. Havill.

Postal Savings in St. Paul

The deposits at the postal savings bank for February were less than the deposits in September, October, and January, and greater than the deposits in November and December. The total amount deposited in the bank since it opened on September 1st is \$415,802, and total amount withdrawn, \$67,062.

The St. Paul Bank is still far in the lead of all of the banks established on September 1st, and all banks in cities of anywhere near its size. The Chicago and New York banks are the only ones whose deposits are in excess of the bank here.

The withdrawals for February are in excess of the other months. This is partially accounted for by the fact that \$6,480 was withdrawn by subscribers for the postal savings bank bonds. Students beginning their new term have also withdrawn much.

The figures for the six months since the establishment of the bank are as follows:

Month	Deposits	Withdrawals
September	\$ 75,275	\$ 2,726
October	71,552	2,524
November	63,539	9,268
December	66,629	14,316
January	70,814	15,738
February	67,993	22,488
Totals	\$415,802	\$67,062

LEGISLATION NEEDED FOR SAVINGS BANKS

Albany, New York.—Nearly half the people composing the population of this state are directly interested as depositors in savings banks, according to the annual report sent to the legislature by George C. Van Tuyl, Jr., superintendent of banks. In his communication, Mr. Van Tuyl discusses legislation pertaining to the trustees of savings institutions, rates of interest paid to depositors and the necessity for more efficient examination of the affairs of savings banks.

"Increased protection is guaranteed to the savings banks and their depositors," says the Superintendent, "by the action of the department in conducting annual examinations into the affairs of these institutions. This was done for the first time during 1911. Greater efforts have also been put forth by the department to check up depositors' pass-books, especially in the smaller savings banks. Orders were issued by the present superintendent of banks which placed examiners in many of the institutions for this purpose at the beginning of the present year, so that comparison might be made between the figures in the pass-books and those contained in the bank's books of record."

NEW BANK AT SOUTH ST. PAUL

On May 6th a new bank—The Drovers State—will open at South St. Paul with twenty-five thousand capital and five thousand surplus. The president of the new institution is C. W. Clark, vice-president F. E. Woodward, and O. J. Schumacher is cashier. Mr. Schumacher has been with the Capital



O. J. SCHUMACHER
Cashier, Drovers State Bank, South St. Paul, Minnesota

National at St. Paul and formerly was with the Continental and Commercial of this city. The only other bank in South St. Paul, which contains the stockyards of that city, is the Stockyards National, controlled by packing interests from Chicago, and having deposits of a million and a half. The new institution is independent of packing support but will be equipped for, and cater to, the live stock interests. Mr. Schumacher has had some experience in the Stockyards National at that point and enjoys a general local acquaintance. South St. Paul is a suburb of St. Paul and about five miles from the center of the city.

PLANS FOR CONVENTION OF MICHIGAN BANKERS

At the spring meeting of the executive council of the Michigan Bankers Association held at Kalamazoo, Tuesday evening, March 5th, arrangements were completed to hold its twenty-sixth annual convention in that city on June 11th, 12th and 13th.

The convention members will assemble Tuesday morning, June 11th, at headquarters, the New Burdick, for registration, receipt of badges and for credentials for entertainment as guests of the Kalamazoo bankers.

An interesting program has been arranged and prominent speakers secured for addresses on pertinent subjects.

SILENT MEN AND SILENCE

We must keep a zone of silence about our lives. The great things come out of silence, not out of noise.—The Outlook.

Probably the above was written by Abbott while he had his noisy, turbulent associate editor in mind. Thomas Carlyle put it slightly different. He said:

"The great silent men! Looking round on the noisy inanity of the world, words with little meaning, actions with little worth, one loves to reflect on the great empire of silence. The noble silent men scattered here and there, each in his own department; silently thinking; silently working; whom no morning newspaper makes mention of! They are the salt of the earth. A country that has none or few of these is in a bad way."

Couple the two thoughts together for reference when we get deeper into the campaign.

PREPARE FOR ANNUAL BANQUET

New York City.—Preparations are being made for the second annual banquet of the members of the Trust Company Section, American Bankers Association, to be held at the Waldorf-Astoria on the evening of May 9th next. The meeting of the executive council of the association takes place on May 6th, 7th and 8th, and the 9th has been selected for the banquet, so as to give the members of the council opportunity to attend.

All indications point to a much larger attendance at the coming banquet, and while it is too early to announce the speakers, it can safely be said that they will be men of national reputation, and that the coming dinner will equal, if not exceed, in interest the last festal spread.

DEATH OF IRVINE B. UNGER

Detroit, Mich.—Irvine B. Unger, vice-president of the Old Detroit National, died suddenly at his home last week.

Mr. Unger was in his 49th year and had many warm friends in business and banking circles. He was born in Waterloo, Ont., and received a thorough banking training in that province before coming to Detroit in 1892. During the 20 years that he lived in this city he was connected first with the Preston National Bank, and then with the Old Detroit National Bank, where for 10 years he served as assistant to the president, until his title was changed, in January last, to that of vice-president.

OKLAHOMA BANKER GUILTY

Oklahoma City, Okla., March 13.—Frank Westfall, a former president of the Creek County Bank and Trust Company of Sapulpa, Okla., has been found guilty of making false entries on the books of the bank and sentenced to a year and one day in prison. A fine of \$500 was assessed. Westfall, after an indictment was returned against him in Oklahoma, went to Phoenix, Ariz., where he organized another bank.

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J. W. SPANGLER, Vice-President

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Pacific Northwest Banking News

Spokane, March 12.—Railroad, municipal and private improvements in and near Spokane planned for 1912 involve a total expenditure of \$25,000,000, according to building statistics compiled by Walter R. May, financial editor of the Spokesman-Review. This includes the grade separation projected by the Northern Pacific Railway Company, a \$250,000 city hall, a \$500,000 trunk sewer, a \$500,000 bridge and other municipal work and factory, store, office and residence buildings. The Northern Pacific work is estimated at \$5,000,000, the Chicago, Milwaukee & Puget Sound Railway Company expending between \$450,000 and \$500,000. The Oregon-Washington Railroad and Navigation Company has awarded contracts for improvement and betterment costing \$6,000,000. Part of this work is nearing completion. The Washington Water Power Company has electric plant, costing \$6,000,000 under way at Richards Lake, 29 miles from Spokane. The Union Station and terminal facilities planned for Spokane by the Chicago, Milwaukee & Puget Sound and the Oregon-Washington Railroad and Navigation Company will cost from \$2,000,000 to \$5,000,000, according to the plans adopted. The private work includes a \$2,000,000 hotel to be erected by Louis M. Davenport and his associates, a 10-story office building, costing \$250,000 by Volney D. Williamson, the municipal auditorium to cost \$500,000, new warehouses and factories involving several million dollars and apartment houses, costing \$500,000. Five million dollars, it is estimated, will be expended upon miscellaneous buildings the next nine months.

Want Municipal Auditorium

Corporation Counsel Craven has submitted an opinion to the commissioners of Spokane, holding that the city cannot be legally bonded to construct a municipal auditorium. He says the only way the project can be carried out is, first, by an act of the state legislature declaring an auditorium a "municipal purpose" for which money can be spent, and, second, an amendment to the charter, directly authorizing such an expenditure by the city. The commissioners meanwhile have tabled a large signed petition filed by the Citizens Auditorium committee asking for a special election for the purpose of voting on a \$500,000 bond issue. E. F. Cartier Van Dissel, chairman of the committee, announces that an initiative petition will be presented to the council, and if this is refused an action by mandamus will be instituted to compel the commissioners to call an election. Counsel for the committee says the supreme court of Colorado has upheld the validity of the auditorium bond issue by Denver.

Spokane Chapter Meeting

Thomas Rodgers of the National Bank of Commerce won a silver loving-cup in the adding machine competition at the smoker of the Spokane Chapter of the American Institute of Banking, the evening of March 6th, by list-

ing and totaling 100 checks in 105½ seconds, or within a quarter second of the world's record. Charles Ham of the Exchange National Bank was second; Otto Allgaier of the National Bank of Commerce was third. There were thirty-eight entrants. C. J. Wagner of the Old National Bank won the first prize, in the physical computation, adding a column seven figures wide and seventeen lines high in forty-eight seconds; C. E. Cooper of the Fidelity National Bank was second and C. H. Hausken of the Old National Bank was third. The judges were Professor M. M. Beddall of the Lewis & Clark high school, George W. Wilson, and M. M. Cook, cashier of the National Bank of Commerce.

W. D. Vincent

W. D. Vincent, cashier of the Old National Bank, has been named chairman of a sub-committee of the Spokane Chamber of Commerce to work out an agricultural course to be adopted by the city school board. The other members are Major Edwin A. Smith, editor of the Twice-A-Week Spokesman-Review, and E. E. Faville, editor of the Western Farmer. Mr. Vincent also has outlined a Washington col-

lege students' contest for prizes ranging from \$100 to \$25 for the best essay upon "How to Make Life On the Farm More Attractive." The prize essay will be published as a college bulletin. There also will be contests for normal and high schools.

New Bank at Republic

The First National Bank to be established in Republic, Wash., takes over much of the liquid assets of the C. A. Wallace banks of Republic and Kettle Falls, which closed recently. Organization of the new bank is proceeding under the direction of Mr. Brewer, Ortho Dorman, cashier of the Farmers and Mechanics Bank, and W. J. Riechers. The bank will be chartered with a paid-up capitalization of \$25,000, with a subscribed surplus in addition. Business men of Republic have subscribed \$18,000.

Remodel Kalispell, Mont., Bank

Forty thousand dollars have been expended in remodeling the Conrad National Bank building at Kalispell, Mont. Four large burglar-proof and fire-proof vaults with heavy chrome steel doors have been installed. The new officers of the bank are: President, W. G. Conrad; first vice-president, C. Conrad; second vice-president, H. W. Dickey; cashier, F. H. Johnson; assistant cashier, A. N. Tobie and James Swaney.

Places Loan on Building

Alonzo M. Murphy, special loan agent of the Northwestern Mutual Life Insurance Company, reports placing a loan of \$70,000 for ten years at 5 per cent upon the Jamieson building. Part of the money will be used in paying for the recent improvements made on the Jamieson building, and a portion will be used to refund a prior mortgage.

Growing Bond Business

J. E. Ferris, assistant secretary of the Union Trust and Savings Bank of Spokane, reports that his house is doing a steadily growing business in bonds, which can be used by the banks as security for the deposits. Banks in the Inland Empire and the Middle West have applied for the bonds.

Seattle

E. W. Andrews, president of the Seattle National Bank, who recently returned from a trip to California, says that there is no doubt that the West is now in a prosperous condition and that conditions are much better than a year ago. Mr. Andrews said that Los Angeles business men are taking a more lively interest in the opening of the Panama Canal than Seattle, although the benefits which that city will derive are, in the banker's opinion, far less than those which will come to Seattle as a result of the opening of the waterway.

"Los Angeles makes a great point of the immigration which will develop just as soon as the canal is opened," said Mr. Andrews. "California people are confident that thousands of men will seek new homes in their

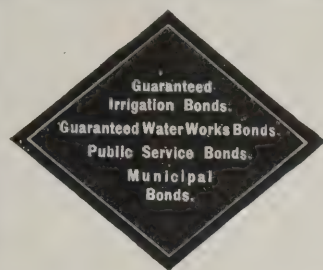


The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
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T. J. HUMBIRD, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier



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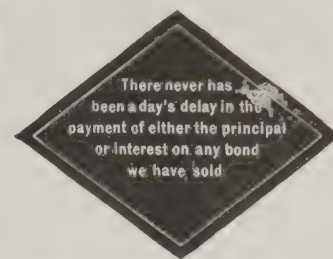
INVESTMENT BANKERS

FIRST NATIONAL BANK BUILDING

PITTSBURGH

CHICAGO

PHILADELPHIA



state. Los Angeles is full of tourists. That city is developing remarkably."

P. C. Kauffman, vice-president of the Fidelity Trust Company, Tacoma, responded to the toast, "The College Man in the Pacific Northwest," at the banquet given at the Arctic Club, February 22d, by the Seattle alumni of the University of Pennsylvania.

Municipal and port district bond issues aggregating \$8,725,000 were authorized by the voters in the election last week. The largest proposition was five million dollars port bonds for the construction of the Harbor Island Terminals similar to the Bush Terminals at Brooklyn, N. Y., and to be leased to a syndicate of New York and Seattle capitalists. In addition \$3,100,000 was voted for other harbor improvements, one-half million dollars for park work, and one-quarter million dollars for a municipal tuberculosis hospital.

CALL ON GUARANTY FUND

Austin, Texas, March 11.—The third call on the guaranty fund as provided by the state banking law has just been made by the state banking board, at a special meeting held for that purpose. This third call was made on the guaranty fund for \$15,919.36 to pay the depositors of the defunct Paige State Bank at Paige, Bastrop county. This is the bank which was closed by order of the commissioner about two weeks ago.

The banking board found there were \$26,633.30 of the deposits subject to guaranty deposits and \$8,064.35 of time deposits. Twenty-three thousand four hundred and eighty-six dollars and thirty-four cents has been realized from quick assets of this defunct bank, out of which has been paid \$6023.33 bills payable. This left \$15,919.36 to be withdrawn from the guaranty fund. Commissioner Gill said \$3,225.14, or 40 per cent, of the cash on hand had been paid to time depositors. All of the assets of the failed bank will be distributed to all depositors, share and share alike.

A demand will also be made on the guaranty fund to pay the depositors in the recently failed First State Bank of Kopperl and with that just made to liquidate the affairs of the Paige bank will aggregate about \$24,000, or 4 per cent of the amount of the guaranty fund. The first failure was the Harris County Bank and Trust Company, the second the bank at Kopperl, and the Paige bank the third.

BANK CONDITIONS IN CANADA

San Francisco.—William Godfrey, manager of the Vancouver, B. C., branch of the Bank of British North America, while in San Francisco visited the local branch and Manager G. B. Gerrard, on his return trip from Southern California, where he spent several months. Mr. Godfrey says business is very active in Canada, and prospects are very good.

Harvard W. Lewis, president of the Farmers and Mechanics National, Philadelphia, is in Hot Springs, Va.

Louisiana Plans

Secretary Broussard of Louisiana has pulled down a big convention prize in Lewis E. Pierson of New York, ex-president of the American Bankers Association, who has promised to speak at the coming convention on "Necessary Legislation Regarding Bills of Lading." George H. Maxwell will speak on "Immigration, Reclamation and Drainage." Mr. Broussard is quite anxious about one other of his principal features, which is the inauguration of the group system for the state. This will take up a considerable part of the time at the sessions. The convention will be held at Covington on April 26th and 27th.

AMONG THE VISITING BANKERS

Among the Chicago visitors the past week were: Thos. Brewer, president of the Fidelity National, Spokane; E. W. Moore, treasurer of the Pioneer Trust Company, Kansas City; C. R. Parker, assistant cashier of the Anglo-London-Paris National, San Francisco; L. L. Emerson, president of the Third National, Mount Vernon, a candidate for the republican nomination for state treasurer; R. H. Driscoll, cashier First National, Lead, S. D.; Charles N. Voss, president German Trust Company, Davenport, Ia.; J. W. Hoopes, secretary of the Texas Bankers Association, vice-president of the Austin National Bank, and president of the secretaries section A. B. A.; F. J. Phillips, president of the Greenville (Texas) Exchange National; N. H. Greene, vice-president of the Peoples Savings and Trust Bank, Moline, Ill.; Carter Wilder, editor of the "Southwestern Banker," Kansas City; Emory Olmstead, vice-president and manager of the Portland Trust Company, Portland, Oregon; W. S. Woods, manager of the real estate department, Pioneer Trust Company, Kansas City, Mo.; W. A. Rankin of Onaraga, Ill., and his son, E. H. Rankin, vice-president of the Paxton State Bank, Paxton, Illinois; George W. Telling, cashier Commercial Trust and Savings, Danville, Ill.; Capt. Chas. C. Craig, president of the Bank of Galesburg, Galesburg, Ill.; Roy Pendarvis, cashier Media State Bank, Media, Ill.; J. E. Frass, cashier Peoples State Bank, Crown Point, Indiana.

POSTAL SAVINGS PROVE HARMLESS

Albany, N. Y., March 12.—The thrift of the citizens of New York state is illustrated in the annual report on savings banks and trust companies, which George C. Van Tuyl, Jr., superintendent of the state banking department, sent to the legislature in Albany. According to this report almost one-half of the 9,000,000 men, women and children in the state are depositors in the savings banks.

Discussing the postal savings bank as a rival to the ordinary savings institution, the superintendent says:

"Establishment of the system of postal savings banks by the United States government has been attended with less disturbance of financial conditions than was predicted. The

savings bank centers of the country, which feared the competition of the government, are now ready to admit that the experiment is seeming successful, and that there need be little further fear of them as disturbing factors in the financial situation. The postal banks have doubtless accomplished much for isolated communities, which heretofore have had no banking facilities, and for large sections of prosperous western country, where savings banks have been unknown."

Pittsburgh

National banks of Pittsburgh, in responding to the call from the comptroller of the currency for conditions as of February 20, 1912, demonstrate that their affairs are in splendidly prosperous condition, reflecting a flattering financial situation throughout the entire industrial district of which the city is the center. Deposits are now at record figures for the period of the year, and only once in the history of the city have the deposits of the same group of banks been greater. The individual statements of many of the institutions were regarded as little short of phenomenal in the financial district, and officers and directors were warmly congratulated upon the showings made.

The deposits of the twenty-eight national banks of the city at the present call total \$215,216,534, against \$210,383,963 for the last previous call, December 5, 1911, and \$198,859,304 for the corresponding call of last year, January 7, 1911. The increase between calls is \$4,832,571 and the gain over the year is \$16,357,230. The only time when the present deposit figures were exceeded was at the call of September 1, 1911, when the total was \$215,536,996, but a few hundred thousand greater than the total now shown.

The total surplus and undivided profits for the banks now stand at \$31,768,107, against \$31,809,933 for December 5, 1911, and \$34,510,907 for January 7, 1911. Loans and discounts are \$139,446,881 now, against \$142,948,605 on December 5, 1911, and \$198,859,304 on January 7, 1911.

SAN FRANCISCO BANKS

A comparison of the statements made by San Francisco national banks, covering a period of about a year, namely, from March 7, 1911, to February 20, 1912, shows that all the national banks of this city, excepting two, have made a substantial gain in individual deposits subject to check. A comparison of totals shows a growth in individual deposits from \$67,847,227 to \$80,057,674, a gain of \$12,210,447, or 18 per cent.

DEVELOPMENTS IN THE MASON CASE

Affairs in regard to the bankruptcy of William A. Mason, head of the Wilson Avenue Bank, are progressing quietly, and in the usual course. It is expected that the Central Trust Company will be confirmed as trustee on next Tuesday.

JOHN McHUGH - President
 JOHN J. LARGE - V.-Pres.
 W. L. MONTGOMERY, V.-Pres.
 HENRY G. WEARE - V.-Pres.
 F. A. McCORNACK - V.-Pres.
 H. A. GOOCH - Cashier
 O. D. PETTIT - Asst. Cashier
 FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

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 BUSINESS AND OFFER
 YOU EXCEPTIONAL
 FACILITIES. CORRE-
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Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
 Excellent Collection Facilities

ARTHUR REYNOLDS, President
 J. H. BLAIR, Vice-President C. A. BARR, Cashier

Des Moines, March 14.—The date of the state convention of the Iowa Bankers Association has been advanced to June 5th and 6th from June 20th and 21st as announced last week. The Clearing House Association at Cedar Rapids discovered that the original dates came within three days after the Republican National convention in Chicago. There seems no way to determine how long the latter will last, and it was feared that it might interfere. The new dates are earlier than usual, but it is believed they will be satisfactory inasmuch as heretofore, the Masonic Grand Lodge has met about the same time as the bank convention and the two have interfered.

Arrangements for the convention are going along rapidly. President B. F. Harris of the Illinois Bankers Association will come from his home in Champaign to tell the Iowa bankers about the banking business. Joseph Chapman, Jr., of Minneapolis, the celebrated agricultural booster, will be on the program. Other distinguished bankers are now in communication with the officers of the association, but the change in date has made it necessary to alter previous arrangements somewhat.

The executive council of the Iowa Bankers Association will meet in Cedar Rapids in a week or so, to wind up the business of the quarter for the last time prior to the state convention. It is probable that the Cedar Rapids bankers will make the members of the committee feel at home. There are no more hospitable bankers alive than those of Cedar Rapids.

Improve Farming Methods

The Iowa Bankers Association is getting a good start in its campaign for improved farming methods in Iowa. Just now the discovery that the seed-corn of Iowa is largely unfit for use has caused wide alarm. Every effort is being made to secure a thorough testing of all seed-corn before it is planted by the Iowa farmer. Of course the banks are interested in this question and are joining in with a hearty good will. It is realized that the prosperity of Iowa depends to a large extent upon its corn crop. If corn is planted that does not grow, Iowa's corn crop falls off and the state feels the effect without delay. Secretary P. W. Hall has been sending out posters, which he is asking each banker to post in a conspicuous place. The poster calls attention to the importance of testing all seed-corn and gives a lesson and demonstration in the proper methods for making such tests. Iowa's corn crop has made wonderful strides since the scientific testing of corn was first published throughout the state and the importance of testing at any time has been recognized, but this year it has been found that much of the corn when put away was moist. The severe winter froze it. Experts say that fully half the seed-corn this year will not grow. This condition exists in all parts of the state and

Secretary Hall is only one of the many who are joining in the great work of securing properly tested seed.

Attend Des Moines Automobile Show

Next to a bankers convention, there is nothing that attracts the financiers of Iowa to Des Moines like an automobile show. Last week, the Des Moines automobile dealers pulled off their annual show in the coliseum. Bankers from all parts of Iowa attended. Among those who saw the automobiles and registered later at the banks of the city were President Guy A. Lee of the First National, Greenfield, and Cashier Fox of the same institution; Vice-President A. B. Talbott of the First National, Brooklyn; Cashier F. B. Kingdon, First National, Monroe; Cashier H. J. Broders, First National, Hartley; Cashier W. H. Thompson, Bank of Collins; Cashier W. A. McNee, First National, Laurens; Cashier G. H. Richardson, First National, Belmond; President C. E. Brenton, Bank of Dallas Center; Assistant Cashier E. W. Jones, Poweshiek County Savings, Brooklyn; Cashier Edwin Delahoyd, Bank of Exira; Cashier Jerry Wilcox, Lovilla Exchange at Lovilla; President S. H. Blackwell, Savings of Afton; President W. D. Mutchler, Ames Savings; President J. C. Vorhies, Anita Savings; Cashier C. E. Lofland, Oskaloosa National; Cashier R. G. Grundy, Bank of Ware; Vice-President W. D. McEwen, State Savings at Rolfe; Cashier Walter J. Walker, Farmers State at Paton; Cashier M. F. Palmer, First National of Palmer; Cashier George Schaller, Citizens Savings, Storm Lake; Cashier M. H. Tattin, Gilbert Savings; Cashier John Roelfsema, Farmers and Merchants at Lidderdale.

Shows Prosperity of Iowa

In connection with the automobile show, some interesting figures have been advanced relative to the prosperity of Iowa as judged by the number of joy-wagons owned by residents of the state. The statement has often been made that Iowa owns more automobiles in proportion to its population, than any other state in the Union. North Dakota recently challenged this statement and produced figures to show that state has one machine for every seventy-seven people. Iowa replied by showing that there are over 37,000 machines in Iowa, which is one automobile for every fifty-eight people.

Legal Rate of Interest

C. A. Robbins, special counsel in the office the attorney-general, who has recently rendered many opinions of special interest to bankers, is out with another upon the question of legal rate of interest. A Burlington man asked the department for a ruling as to what may be done with a loan shark. Mr. Robbins' answer is as follows: "Under the present law, there is no statute specifically making it a crime to charge usurious interest. However, it is provided by Code, section

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 W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
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 KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Comptroller Murray has approved the application to convert the Spearville State Bank of Spearville, Kan., into the First National of Spearville, capital \$50,000.

3040, that: No person shall directly or indirectly receive in money or in any other thing or in any manner any greater sum or value for the loan of money or upon contract founded upon any sale or loan of real or personal property than is in this chapter prescribed. Section 3038 of the same chapter fixes the rate of interest in the absence of agreement, and the maximum rate at 8 per cent on the hundred by the year.

In the case of Iowa vs. York, 131 Iowa 635, it is held that township trustees who furnish men and teams to perform labor for the township under a contract with the road superintendent, which contract was prohibited by Section 408a of the Code supplement, were guilty of an indictable misdemeanor under Code Section 4905, which provides: When the performance of any act is prohibited by any statute, and no penalty for the violation of such statute is imposed, the doing of such act is a misdemeanor. Hence I am inclined to think that in the case which you mention or any other similar case where you are able to prove that the usurious interest has been exacted, the person exacting the same, is subject to indictment."

Investors Securities Company Holds Annual Meeting

The annual meeting of the Investors Securities Company of Des Moines attracted a good attendance to Des Moines last week. F. M. Hopkins, the newly elected president of the new bank at Guthrie Center, was chosen president; George F. Henry, vice-president; T. F. Flynn, treasurer; George G. Wright, secretary; L. Culver, assistant secretary. All are from Des Moines, except President Hopkins. Among the out of the city bankers in attendance were President P. K. Holbrook, First National, Onawa; Cashier O. C. Hern, Security Bank of Boone; Cashier W. A. Dexter, First National of Dexter; J. W. Reed, Bank of Baxter. The bankers attended the automobile show while in the city.

Bank Robber Arrested

It is believed that Dwight Day Briggs of Council Bluffs is the man who tried to rob a bank in Colorado and was captured and lodged in the Denver jail. His brother, C. E. Briggs, informed the police at Council Bluffs of his belief that he had identified the would-be robber as his brother. The man arrested at Denver was wounded and at this writing may not live. Briggs had left Council Bluffs a week before. He has always borne a good reputation.

Banking System in Schools

The schools of Cedar Rapids have adopted regular banking hours, following the introduction there recently of a penny provident banking system. The first reports show that there are 4,676 pupils in the schools and the average percentage per pupil up-to-date is 2,408. This is considered very good inasmuch as the system is new.

Group Meetings in May

Two group meetings have been announced for the month of May. Group 5 meets at Council Bluffs, May 7th. Group 3 meets at Northwood, May 15th.

Death of Iowa Banker

J. P. Hamilton, president of the Exchange National at Leon, and well known in southern Iowa banking circles, died last week at the age of eighty-three. He had been connected with the Leon institution for twenty years.

J. C. Riddle, father of Mrs. G. E. MacKinnon of Des Moines, died suddenly last week while on a business trip to northern Iowa. The death occurred at Jewell, and Mrs. MacKinnon and her husband, who is president of

the Mechanics Savings, Des Moines, were present. The deceased was well known, and had been buying grain in central Iowa for forty years. Death was caused by pneumonia.

Iowa Banking Notes

President E. J. Curtin of the I. B. A. came from Decorah Tuesday, and went with Secretary P. W. Hall to Omaha on business connected with the protective work of the association.

E. D. Rayburn, cashier of the First National at Montezuma, was a Des Moines visitor last week.

The postoffice bank at Burlington has deposits of \$2,000. It was opened October 7th.

The Citizens State at Corydon has been changed to the First National with a capital stock of \$75,000. C. W. Steele is president; Lemuel Kimple, vice-president; F. B. Fry, cashier; J. A. Rogers, assistant cashier.

Harry S. Clarke, who has been made active vice-president of the Corn Exchange National of Omaha, was formerly connected with the First National of Creston, and has many friends in Iowa. He is a son of H. S. Clarke, Sr., who is president of the Creston institution.

The Farmers and Merchants of Washington is planning a four-story structure, which will be completed this coming summer.

W. H. Totten has disposed of his interest in the Gilbert Savings at Gilbert to Greeley & Siverly of the Union National of Ames.

It is announced that postal savings banks will be established April 1st at Bedford, Belle Plaine, Eagle Grove, Forest City, Hawarden, Shenandoah.

The Dorchester Savings of Dorchester has filed articles with the secretary of state giving its capital stock as \$10,000. The incorporators include Matt Flynn, O. J. Hayer, and J. C. Ludeking.

The State Savings at Chariton has amended its articles to increase the capital stock from \$25,000 to \$35,000.

The engagement has been announced of Miss Katherine Balch, daughter of P. S. Balch, cashier of the Marshalltown State, to Robert E. Johnson, well-known attorney of that city. The affair will be celebrated April 11th.

The Bank of Bussey was a heavy loser in a fire, which damaged the business section of that city. The flames originated in a three-story building owned by the bank and spread rapidly. The bank building was destroyed.

M. B. Wheelock, cashier of the Citizens State at Colfax, has secured two seed-corn testers from Des Moines. These will be set up in the high school at at Colfax and the pupils will be shown how to operate them.

Ivan O. Hasbrouck has resigned as cashier of the bank at Humeston, to become cashier of the Ames Savings at Ames. Hasbrouck is well known in Des Moines, as a star member of the Drake University football team.

Clearings for the Des Moines banks for the week ending March 9th totaled \$6,722,278.96, an increase over the clearings for the corresponding week last year of \$498,027.98.

The First National at Newell has applied for a charter to succeed the Newell State Bank.

The Farmers and Merchants State at Washington has filed amendments to its articles increasing the capital stock to \$100,000.

The Farmers National at Charles City announces a new structure, work upon which will start in the spring.

E. L. Carson has resigned as cashier of the Glenwood Savings and will remove with

his family to the Pacific Northwest. Clyde Rhodes, formerly county auditor and now assistant cashier, will succeed Mr. Carson in the institution.

A charter has been granted to the First National at Corydon. The capital stock is \$75,000. C. W. Steele is president; Samuel Dimple, vice-president; F. B. Fry, cashier and J. T. Rogers, assistant cashier.

Rudolf Tagge has been chosen president of the Farmers and Merchants at Durant, succeeding Theodore Sindt, and Henry Nitz succeeds Mr. Tagge as vice-president.

T. J. B. Robinson, president of the Citizens National at Hampton, wants to become state senator. He has announced his candidacy to represent Franklin, Hancock and Cerro Cordo counties in the coming legislature.

Thad K. Harlan has been advanced to paying and receiving teller in First National at Ottumwa. E. L. Kilby succeeds him as teller and Zac Silvester becomes bookkeeper, succeeding Kilby.

Sioux City

BY JOHN J. BIDDISON

Frank B. Gannon, president of the First National of Aberdeen, S. D., will enter politics. He is about to announce his candidacy for the democratic nomination for state treasurer. He is a pioneer banker of the state, independently wealthy and well acquainted throughout South Dakota. Just prior to a trip to the Twin Cities, he tipped off the fact to his friends that he would seek the nomination.

Mid-West Bank Open

The Mid-West Bank, a private institution headed by Ed. T. Kearney, former president of the Bank of Dakota County, Jackson, Neb., auspiciously opened its doors for business Monday at 408 Pearl Street with new fixtures and everything about the place brand new. Mr. Kearney himself is president and cashier. C. M. Kearney is vice-president and Tony Abst is bookkeeper.

Issue of Building Bonds

At the school election Monday, the city electors voted for an issue of \$135,000 building bonds that the Board of Education will soon offer to the public. Before the vote was known a large number of letters had been received from institutions desiring to bid for the issue.

Important Banking Decision

A decision of large importance as bearing on the South Dakota tax adjustments has been made by Circuit Judge W. G. Rice, at Deadwood, S. D., the case being brought up on a contest by the First National of that city. The court held, in effect, that county commissioners do not have power to review assessments of the state board of equalization except where the property was assessed over its true and actual value as shown by the petition. The action was brought on an alternative writ of mandamus by the bank for the owners of its stock. Their petition set forth that the assessment of bank stock was raised 60 per cent by the state board and the commissioners refused to review this finding on the opinion of the state's attorney.

Assessments Being Paid

State Bank Examiner J. L. Wingfield, of Mitchell, S. D., makes a favorable report on the closed Meade County bank, of Sturgis, S. D. He says that assessments are being promptly paid and that chances are good for

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Among the Visiting Bankers

M. D. Gibbs, cashier of the Bank of Northwestern Iowa, at Alton, Iowa, was in the city Wednesday.

Herman Fortin, cashier of the Farmers Bank of Salix, Iowa, had business in Sioux City Monday.

W. A. Schaetzel, president of the Union County Bank, Elk Point, S. D., was in Sioux City on business Monday.

W. B. Whiting, cashier of the Whiting Bank, Whiting, Iowa, was in Sioux City Friday.

P. G. Riedesel, banker at Oto, Iowa, was in Sioux City Saturday.

W. H. Hart, cashier of the Commercial State, Salem, S. D., was in Sioux City on business Monday.

George L. Schoonover, president of the Anamosa National and the Schoonover Trust Company, at Anamosa, Iowa, was in Sioux City Tuesday. Mr. Schoonover owns some land in Woodbury County.

W. H. Sleeper, cashier of the Union Bank, Sheldon, Iowa, and his brother, A. W. Sleeper, postmaster at that place, were in Sioux City on business Tuesday.

BANK ASSESSMENT UPHELD

In an opinion given by the supreme court, the validity of the second assessment of 100 cents on each dollar of capital stock of the old State Bank of St. Paul, which failed in September, 1908, was upheld and it must be paid.

When the bank became defunct an assessment of 100 cents on all stock was ordered by the public examiner. While this order was pending, Henry L. Bradbury, with others, bought 100 shares of the stock for \$50. Later the bank reopened, but in September again went to the wall, and again the public examiner ordered an assessment on the stock. The claim was set up by Mr. Bradbury that he was exempt from the second assessment, as he already had paid the first. The court holds, however, that, as the bank reopened for business, the stockholders became liable for another assessment.

RELATION AND LIABILITY OF PRIVATE BANKERS TO DEPOSITORS

(Continued from page 9)

solvent, he certainly is not one to be entrusted with the safekeeping of money, and surely ought to be held criminally responsible for such ignorance. It also is difficult to see how the right to trial by jury is jeopardized by such a provision. An indicted banker has the right to be tried by a jury; it is for the state to prove its case beyond a reasonable doubt; and the banker has the right to rebut the presumption of fraud by introducing evidence tending to show bona fides on his part.

Lessons to be Learned from the Law

All of the points above detailed tend to emphasize the necessity of strict state supervision over all forms of banking, including what is known as "private banking"; also the creation of a separate banking department of the state. At present all matters relating to banking are attended to by the state auditor's office, where they are discharged in a somewhat perfunctory manner. With strict supervision of private banks, large sums of hard-earned money would be saved to innocent depositors, who, relying upon the solvency of a banking institution, deposit their savings therein. Insolvency would be discovered by the state bank examiner in making his examination, and all moneys, which might be deposited thereafter and before the final crash would be saved to the would-be depositors. Bankers and persons accepting deposits with knowledge of insolvency should be vigorously prosecuted under the statute to which reference has been made. With visions of the penitentiary staring him in the face, a banker would think twice before accepting deposits, which he knew full well he never would be able to repay. Indeed, it is difficult to see any distinction in principle between such a person and an ordinary pickpocket; the one relieves his victim stealthily and surreptitiously of his property; the other does so under the guise of legitimacy and respectability, the opportunity to defraud being much greater than in the case of the former. The business of banking is one affected with a public interest; it is one of the necessary adjuncts of the commercial world, as are public utility corporations to the convenience and comfort of society. It is a business created primarily to serve the public, and being supported and maintained

by the public, should be subject to its control, and conducted and supervised in a manner commensurate with the duty which it owes to the people. There is no reason why a private banker, often with none, and always with less capital and less experience and business acumen than incorporated state and national institutions, should be allowed to conduct his business without any restrictions or supervision whatever, while the latter are compelled to submit to inspection by the sovereign authority—the state or federal government, and in Chicago also by the clearing house examiners.

SAVINGS BANKS PROSPEROUS

Albany, New York.—The New York state savings banks hold larger aggregate resources than at any previous time in their history, according to a statement giving the condition of the institutions as reported by them on January 1st last to Superintendent Van Tuyl of the state banking department.

One hundred and forty savings banks showed total resources at that time of \$1,780,862,290, which was a gain in comparison with the total on January 1, 1911, of \$85,211,497. The amount due depositors showed a gain of \$76,181,954, the total on January 1st being \$1,619,115,648. There was a gain during the twelve months in the number of open accounts of 79,927, the number of those holding accounts in the savings banks of this state being at the present time only a little short of three million people.

The savings banks showed increases in the amount invested in bonds and mortgages of \$46,531,758 and in the investment value of stocks and bonds held of \$30,328,317. The value of their surpluses increased during the year by \$9,116,063 to \$116,172,555. There was a gain in the total amount deposited during the year of \$22,434,718, while the withdrawals increased only \$9,016,862. The amount of interest paid and credited to depositors shows a gain for the same period of \$2,138,530. During last year the amounts deposited exceeded the withdrawals by \$19,626,210, whereas the increase in deposits over withdrawals in 1910 aggregated only \$6,208,354.

Application has been made to organize the First National of Herminie, Pa., capital \$25,000.

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

CHICAGO CHAPTER, A. I. B.

By OTTO J. KRAMPKOWSKY.

The meeting held Tuesday evening, March 12th, was a very instructive one, and was fairly well attended. The most prominent speaker of the evening was Prof. J. Laurence Laughlin, professor of Economics, University of Chicago, also chairman of the Executive Committee of the National Citizens League. An extract from Mr. Laughlin's speech is as follows:

"Banking Reform and a National Reserve Association."

Gentlemen of Chicago Chapter, American Institute of Banking, you may be more or less familiar with the subjects you want me to speak to you about this evening, and I probably ought not to keep you very long, and no matter how important and interesting the subject may be I ought not to bore you at any considerable length. The subject that you ask me to discuss, "The Relation of the National Reserve Association and Banking Reform" is a very large and important subject. I suppose you scarcely realize that we are face to face with a situation and a possibility of change in our legislation with regard to our monetary and banking system of the gravest character since the Civil War. Do you realize that we are face to face with the fundamental proposition with our present banking and current system, the like of which we have not seen during the past fifty years? Marie Antoinette when told of the riots of the thousands of their starving people, of their demands for bread, said, "Why, if there is so much trouble about their getting bread, why don't they give them cake?" Now the remark of the queen of France showed the ignorance she had of the subject, and is a fair illustration of the judgment of our congressmen of to-day on the subject of banking reform.

The business men of this country have united together, putting shoulder to shoulder in this struggle to try and see if they cannot educate ninety million people on the reform of the currency system, and thereby obtain legitimate legislation. The great need of to-day is an elastic credit system. We have no market for commercial paper, such as they have in Europe, where you can buy acceptances. We have no such market in this country. Moreover, we have no uniform rate of discount in this country. The rate varies enormously in the different parts of this country. We have here in the United States, in our banking system, practically no co-operation among the banks in protecting the gold reserves of all the banks, although we have had a free banking system since 1874, the first clearing house in the United States being started in 1853 in New York City. The banking system fails to function the moment it is unable to give the business man a loan at the time when he most needs it. How will the National Reform Association remove that difficulty? Simply because it is a co-operation of all the banks in this country, like a nation-like clearing house association, by which the credit and capital are brought to bear on the section that is in most need of it.

Loans and Discounts

Frank Henry Watrous, discount teller of

the Merchants Loan and Trust Company, explained in detail the various methods of handling demand and time loans and the manner of discounting them, as well as municipal warrants, that are drawn against the anticipated taxes, and which are considered a very good form of discount, being usually handled through brokers the same as commercial paper. He also explained the difference that is gained by taking the actual discount on paper and as it would be taken figured on present worth.

President Smale informed the members that Leigh Sargent and Craig B. Hazlewood had recently been elected "Fellows." A musical selection was then given by William P. Hoffman, violinist, assisted by Mr. Ebel, pianist.

PITTSBURGH CHAPTER AMERICAN INSTITUTE OF BANKING

By H. E. HEBRANK, President.

All eyes of the banking world are turned toward Pittsburgh at present, watching for the result of the great Inter-City debate, Tuesday, March 19th, with reference to transit items. This very important subject, which is at present occupying the minds of so many leading bankers of the country, will be thrashed out "pro" and "con." The transit men of many of the leading financial institutions will be present, among some of the headliners being Raymond B. Cox, national president, Fourth National, New York City; Geo. E. Allen, educational director, New York City; Carroll Pierce, chairman executive council, Alexandria, Va.; Harry F. Pratt, executive council, First National, Cleveland, Ohio; L. J. Kaufman, president Cleveland Chapter A. I. B., Cleveland, Ohio.

The subject for debate is: "Resolved that transit items should be collected through clearing houses, rather than between individual banks." The affirmative will be upheld by Pittsburgh Chapter, and the negative by Cincinnati Chapter. The Cincinnati Chapter will be represented by Wm. C. Beiser, Western German Bank; George Schaffenberg, Jr., German National; John P. H. Brewster, German National; Howard Evans, alternate, First National, all of Cincinnati.

Pittsburgh Chapter will be represented by George Rankin, Central National, Wilkesburg, Pa.; F. G. Lancaster, Keystone National, Pittsburgh; A. T. Eyler, Union National, Pittsburgh, Pa.

Arrangements are being made for extra seats, being placed in the large assembly hall, adjoining the chapter clubrooms, and the headquarters are being extensively decorated for the occasion. Even with the additional seating capacity it is expected many will be unable to gain access to the hall, as indications point to a packed house.

A luncheon will be given at one o'clock Tuesday, in honor of the Cincinnati boys and the visiting guests, and at six o'clock an informal dinner will be given in their honor at the Fort Pitt Hotel, when a general social hour will take place and old associations renewed.

Chicago Chapter American Institute of Banking has challenged the winner of the

debate. In June Pittsburgh Chapter will defend the gold cup she won at the Pennsylvania bankers convention at Bedford Springs.

"1912—A. I. B. CONVENTION, SALT LAKE CITY—1912"

Salt Lake Chapter is proud of the fact that we are to play host to the 500 delegates, their wives, and friends at the national convention, this year.

The proceeds from the minstrel show given on Lincoln's birthday—February 12th—and the proceeds from advertisements in the "Phoney Greenback" go into an entertainment fund. A tentative program has already been outlined, and from all indications there will be a week of instruction mixed with sociability before unequaled in our history. Speakers of national fame will be with us—and nothing will be left undone to make the visitors feel happy and at home.

A committee from the Commercial Club will act with local chapter committees—and this insures the occasion a success from every standpoint. A genuine hearty western welcome awaits those who come.

The American Institute of Banking is devoted to the education of Bankers' Theory, and Practice of Banking and Commercial Law are thoroughly covered in the course. In cities bank employees are organized into chapters—and pursue the class method of instruction. Salt Lake Chapter was organized in 1903, the first president being W. H. Shearman—followed successively by Chas. H. Wells, R. T. Badger, Joseph Patrick, Q. B. Kelly, S. G. Saville, R. Q. Cannon, and R. C. Barnes.—The Phoney Greenback.

PHILADELPHIA CHAPTER, A. I. B.

John C. Frankland, president of the Philadelphia Chapter, has a very able article on "The Credit Man's Interest in Monetary Reform" in the February issue of "The Philadelphia Creditman."

The annual banquet of the Philadelphia Chapter was held at the Continental Hotel last (Friday) evening. Dimmer Beeber, president of the Commonwealth Title Insurance and Trust Company, was toastmaster. The speakers were ex-Congressman L. Irving Handy of Delaware, Dr. Paul M. Pearson of Swarthmore College, and Robert S. Leeds, a noted lecturer. E. J. Morris of the Manayunk National was chairman of the banquet committee.

BALTIMORE CHAPTER A. I. B.

The tenth annual banquet of the Baltimore Chapter of the American Institute of Banking, held recently, is generally conceded to have been the most successful one from every point of view ever held by the chapter. There were four hundred members and invited guests in attendance to listen to the addresses of W. Morgan Shuster, ex-treasurer-general of Persia; Senator G. M. Hitchcock of Nebraska and Congressman Slayden of Texas. Robert S. Mooney, president of the chapter, presided, and Congressman Covington of Maryland was toastmaster.

C. D. Terry has been elected cashier of the First Guaranty State Bank, Sadler, Texas.

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FOR SALE—Miscellaneous

1-A Reflex, focal plane shutter, Celoris-inch lens. Cost \$24.50. Like new, \$15.00. Address, X-44, Chicago Banker.

1-A Graflex, 1C Tessar lens, focal plane shutter (new out of stock), value, \$101.50. Sell, \$85.00 Cash. Address, X-55, Chicago Banker.

4X5 Goerz-Argo, latest model, Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$165.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale. 9 1/4-inch Goerz Dagor, Volue shutter. Value \$75.00. Sell for \$50.00, like new. Six-inch Dagor, Koilos Shutter, new. Cost \$95.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safeguard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

History of Banking in the United States. John Jay Knox. \$5.00.

Practical Banking. Claudius B. Patten. \$5.00.

Modern Banking Methods. A. R. Barrett. \$4.00.

Elements of Foreign Exchange. Franklin Escher. \$1.00.

Gold Production and Future Prices. Harrison H. Brace. \$1.50.

Pushing Your Business. T. D. MacGregor. \$1.25.

Economic Causes of Great Fortunes. Anna Youngman. \$1.50.

Neglected Point in Connection with Crises. N. Johannsen. \$1.50.

Monies of the World. James P. Gardner. 50c.

Bankers' and Merchants' Perpetual Maturity Guide. \$5.00.

Trust Companies—Their Organization, Growth and Management. Clay Herrick. \$4.00.

Savings Bank and Its Practical Work. Wm. H. Kniffin, Jr. \$5.00.

Practical Treatise on Banking and Commerce. George Hague. \$3.00.

Banker in Literature. Johnson Brigham. \$2.00.

Bank Directors—Their Powers, Duties and Liabilities. John J. Crawford. 50c.

Credit Currency. Elmer H. Youngman. 50c.

Natural Money. John Raymond Cummings. \$2.00.

Two Thousand Points for Financial Advertising. T. D. MacGregor. \$1.50.

All or any of the above books will be sent, carriage prepaid, by

THE CHICAGO BANKER,

407 Monadnock Building, Chicago.

Department of New Business

NORTHWEST

Largo, Ind.—Citizens State Bank is the title of a new bank here. C. F. Hegel is president and D. W. Gillespie cashier. Capital stock \$25,000.

Irvington, Ind.—The East Side Bank has been organized with Winfield Moffett president and W. E. Morris cashier.

Duluth, Minn.—The Citizens State Bank has been organized with \$25,000 capital and \$5,000 surplus. H. H. Peyton, of Proctor, and F. A. Brewer are interested.

White River, S. D.—The Mellette Co. State Bank is the title of a new bank here. J. A. Brown, Richard Jones and R. R. Jones are interested.

Dunnegan, Mo.—The Bank of Dunnegan has incorporated. J. S. Johnson, G. W. Engleman, A. B. Wollard and J. M. Holmes are interested.

Kansas City, Mo.—The Security State Bank recently opened for business. J. C. Simpson of the Commerce Trust Co. is president and W. R. Parker cashier.

Guthrie Center, Iowa.—The Peoples Bank has been organized with F. M. Hopkins president and W. K. Hamilton cashier.

New Vienna, Iowa.—The Farmers State Savings Bank has been organized with \$10,000 capital. Christ Koopmann, of Dyersville, is president and Joseph L. Fangmann, of this place, vice-president. The cashier will be Henry J. Mescher.

WEST

Philipsburg, Mont.—The First State Bank has incorporated. W. I. Power, L. Hauck, J. C. Lenson and L. C. Degenhart are interested.

Terry, Mont.—The Security State Bank has filed articles of incorporation with \$25,000 capital stock. W. J. Hield of Minneapolis and O. N. Dunham of Bismarck are interested.

Fort Lupton, Colo.—Farmers State Bank capital \$10,000. W. F. Bolton of Denver will be president.

Verona, Neb.—The Farmers State Bank has been organized with \$10,000 capital. Adolph Aspergren, Oscar Strand, J. W. Israelson, Nels Nelson, W. F. Mack, G. P. Christiansen and V. P. Jonson are interested.

May, Okla.—The May State Bank has incorporated. V. B. Browns, S. T. Morey, W. R. Phillips and R. O. Allen are interested.

Cleveland, Okla.—Fidelity State Bank with a capital of \$15,000 has been organized at this place. J. P. Martin, president; Howard Hannah, vice-president, and L. E. Stimson, cashier.

Madera, Cal.—The Medera Savings Bank has been organized. Return Roberts, N. Rosenkal, E. H. Cox, J. E. and J. G. Roberts are interested.

Independence, Ore.—The State Bank of Independence has been organized with \$25,000 capital. J. J. Fenton, A. L. Spering and G. W. Irvine are interested.

SOUTH

New Tazewell, Tenn.—The Citizens Bank is reported organized with a capital of \$12,000. J. C., J. L. and W. E. Buis, J. K. Pratt and A. B. Ritchie are interested.

Punta Gorda, Fla.—The Merchants Bank with a capital of \$15,000 has been organized at this place. D. L. Skipper is president, D. N. McQueen vice-president and C. A. Skipper cashier.

Sopchoppy, Fla.—The Sopchoppy State

Bank has been organized with L. O. Benton president and A. D. Wilder cashier.

Gainesville, Ark.—The Bank of Gainesville is new, with the following officers: M. C. Graham, president; J. C. Farmer, vice-president and C. D. Massi, cashier.

Sheridan, Ark.—The Citizens Bank has been organized with G. W. Baker as president.

Georgiana, Ala.—The Farmers and Merchants Bank is reported organized. N. T. Rhodes, T. L. Rose and others are interested.

Mertens, Tex.—The Guaranty State Bank has been organized by I. W. Langford, E. H. Tekell and W. W. Merrell.

EAST

Raleigh, N. C.—The Central Trust Company has been organized with \$200,000 by E. C. Duncan, J. R. Rogers, W. H. Williamson, W. B. Drake, Jr., Alexander Weber and others.

Raleigh, N. C.—The Anchor Trust Co. has been organized. Albert Cox, C. J. Parker, Dr. Z. M. Canenness, Prof. H. E. Scatterfield and W. A. Cooper are interested.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 31)

cashier of the office of discount and deposit of Baltimore, Washington subscribed himself, "your most obedient servant." In the other he simply signed it "George Washington." The two checks are in a remarkable state of preservation and are written in a much better hand than that shown by most of the modern check-drawers.

A FEW weeks ago THE CHICAGO BANKER contained a short notice about the Minnesota Loan and Trust Company of Minneapolis, using a vest-pocket savings envelope in which the holder deposits a coin each day, and on the margin makes a check mark to show the contents, telling how many dimes, nickels and quarters he has deposited. The envelope is in heavy manila and so constructed that coins cannot be abstracted without destroying it.

THIS week there came to this office a letter on the stationery of the Advertising Coin Container Company, of Chicago, containing an acknowledgment of the power and efficiency of this publication as a spreader of publicity gospel. The manager of the coin container company wrote:

"YOUR notice above referred to resulted in bankers all the way from Vermont to North Dakota writing the Minnesota Loan and Trust Company for samples of the savings envelopes, which are manufactured by us, and we received requests for prices, and have sold many thousands of the savings envelopes, which must be credited to your paper, proving your wide circulation and demonstrating the pulling power of your publication. Kindly have your paper delivered here every week and have your advertising man interview the writer."

THIS was signed by W. H. Woolums, manager of the concern which holds itself out as "bank advertising experts," and which deals in specialties for bank advertising. It so happens, perhaps, that paragraphs in this department attract a little bit more attention than the cold, black and white of a formal advertisement.

CASHIER.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

subject of bank supervision in Illinois, together with a few remarks on the subject of protection against "Blue Sky" investment houses.

THIS will be one of the regular noon-day luncheon meetings at the Hotel LaSalle, and the speakers so far arranged for are President B. F. Harris of the Illinois Bankers Association and Vice-President W. T. Abbott of the Central Trust Company. It is quite likely that the committee would be glad to hear from any speakers who might wish to take the opposite side of this question, and who oppose bank supervision, telling the reasons for their position.

AT these sessions there generally are about one thousand persons present, and a full turnout is expected to hear this important subject ventilated. Mr. Harris has a wealth of statistics at his command, and will give an interesting talk. Mr. Abbott will touch upon the legal phases of the matter.

OUR old friend W. O. Jones of the National Park, New York, is at Mount Clemens, Mich., putting himself in training for the summer convention campaign. He is one of the veterans, and one of the most successful advance agents who go out from any institution looking for country balances.

MR. JONES has had more than the average blessing in the way of good health and strength, but for the past several months has been suffering from rheumatism and kindred complaints, chargeable probably to too close attention to his work, and too little to the outdoor life, which so many bankers now believe to be necessary.

TWO or three of the New York newspapers (not financial journals) have conceded since the last statement that there is a great likelihood of Chicago's big banks advancing to first place in point of size. The Continental and Commercial of this city is a very close second to the largest bank in New York, and the First National also of this city is almost in the same class. The Continental and Commercial, with its trust company branch, shows deposits of two hundred and thirty millions. This puts it in the same rank as the very largest banks in London, Paris and Berlin. The First National, with its trust company, has one hundred and ninety-five millions, which also puts it in the very first rank of big banks.

WORD comes from New York that another chain of private banks operated in that city and New Jersey, by Moritz and Max Rosett, has failed, and that a petition in bankruptcy has been filed. This firm of private bankers operated "banks" in New York, Perth Amboy, Wilkesbarre, Pa., and Youngstown, Ohio, and succeeded in gathering together practically all of the loose change earned and saved by the laboring classes among the Italians, Hungarians and Poles in the places named.

FROM the reports it appears that the firm invested the money of their depositors in automobile specialty companies, in distilleries, and in other speculative securities. In reality, the New Jersey state banking department started the trouble by compelling the Rosett private banks in that commonwealth to replace condemned assets with cash.

THE claimed resources of the firm are about three-quarters of a million. What the assets really are, must yet be determined.

THE Central Trust Company of this city, receivers for the "Wilson Avenue Bank," have filed a temporary report estimating that

depositors in that institution will get about twenty-five cents on the dollar, if assets can be realized upon.

FRANCIS B. REEVES, president of the Girard National at Philadelphia, took his annual vacation this year in making a critical examination of the Panama Canal and its possibilities. He has returned an enthusiast on the subject.

THOSE who may have an inclination to join the "black art" to their banking business will do well to remember that Pupauskys, the Chicago "banker," who made that attempt, got a fine of \$500 and a sentence of five years in the penitentiary at Fort Leavenworth.

GEORGE M. REYNOLDS has escaped jury duty by remaining in California. If he were a politician like T. R., he probably would have been making his regular appearance in the docket each morning. During his absence he also has been elected treasurer of the Board of Trade Clearing House.

BRECKENRIDGE JONES is the new president of the Bankers Club of St. Louis; Edwards Whitaker is the first vice-president, and H. P. Hilliard is on the executive committee.

NATIONAL BANK OF COMMERCE, Kansas City, gained over half a million in deposits between the December and February statements. Deposits now are well over twenty millions; capital and surplus are \$2,500,000. J. W. Perry is president and James T. Bradley, cashier.

EMORY W. CLARK, the new president of the First National at Detroit, gave a dinner to the staff and members of the board recently at the Ponchartrain Hotel. All of those present were called upon by the toastmaster. Mr. Clark's intention is to add to the cohesiveness of his banking organization.

GEORGE W. WILLIAMSON, who has been with the Guaranty Trust Company of New York in various capacities for the past twenty-two years, has been made Assistant Secretary of the Company. His appointment is exceedingly gratifying to his many friends, and is a fitting reward for faithful and efficient service.

COLONIAL TRUST has paid an extra one-half per cent dividend, which puts the stock on a ten per cent basis. North Avenue State Bank pays seven per cent.

A Time to Buy Bonds

An opportunity is now afforded to obtain first-class municipal and corporation bonds on attractive terms. Safeguarded by the most stringent and exacting requirements, obligations of these classes present to the investor every incentive for immediate purchase.

Among the bonds which we are offering at this time, some of which are obtainable in \$500 and \$100 bonds, may be mentioned:

TO YIELD FROM 3% TO 4% PER CENT.

	Paying About
City of Saint Louis, Missouri, Public Works 4s	3.88%
City of Chicago, Illinois, Corporate 4s	4.10%
City of New York Obligations (All issues)	4.12%
Central Pacific First Ref'g 4s (1949)	4.15%
City of Memphis, Tennessee, Board of Education 4 1/2s (1950)	4.25%
Galveston, Harrisburg & San Antonio (Mex. & Pac. Div.) 5s (1931)	4.40%
City of Ferguson, Missouri, Improvement 5s (Various)	4.50%

TO YIELD FROM 4% TO 6 PER CENT.

City of Fort Worth, Texas, Municipal 5s (1951)	4.5%
St. Louis & San Francisco R. R. Equipment 5s (Gtd. by Am'n Car & Foundry Co.)	4.70%
Milwaukee Light, Heat and Traction First 5s (1929)	4.75%
Chicago, Rock Island & Pacific Ref'g 4s (1934)	4.77%
City of Fort Smith, Arkansas, Improvement 5s (Various)	5.00%
Saint Louis Southwestern Railway System (Central Arkansas & Eastern First Mortgage 5s (1940)	5.15%
United Ry's of St. Louis General First 4s (1934)	6.00%
Street's Western Stable Car Equipment First 5s (1916)	6.00%

We have a host of other issues, which we own and can offer to the discriminating investor. We have merely taken the above as a typical selection of bonds from the large number on our list.

We should be very glad to add your name as a permanent and valued client of this firm.

D. Arthur Bowman & Company

INVESTMENT BANKERS

Third National Bank Building

ST. LOUIS, MO.

"SUNNY JIM" SHERMAN has explained that when, several months ago, he announced that he would not run for re-election as vice-president he meant "not in 1916." T. R. hasn't anything on him when it comes to changing his plans.

IN a straw vote taken by a western Socialist paper, McNamara got 54,726 votes, Roosevelt 41,384 and Taft 426. Perhaps McNamara will gratefully respond with the offer of the Vice-Presidency if recall of judges goes into effect.—Wall Street Journal

JOHAN J. SHERMAN, cashier, Citizens National, and former president of the Wisconsin Bankers Association, Appleton, Wis., was a Chicago visitor Monday.

ON Monday, March 11th, the Southern Illinois National, East St. Louis, occupied their new quarters at Collinsville Avenue and Broadway. The Southern Illinois Trust Company, which succeeds to the business of the Citizens Savings and Trust Company, formerly located in the Sexton Building on Main Street, will also be located in the new building.

CHAIRMAN D. R. FORGAN is "some politician," say the boys. The Taft Chicago visit, followed up by nailing the cause of the defeat of the peace treaties direct on "Oyster Bay," constitutes a bunching of hits which ought to be effective.

HENRY Y. SEITES, advertising manager for the Atlantic National at Providence, R. I., has adopted as a monogram or trademark for that institution a black, double-ruled circle containing the name of the bank and the words, "Founded 1853; U. S. Depositary." This circle is used in newspaper advertising, on checks, folders and all other published matter sent out from the bank. It seems to have made quite a hit, and to have received favorable comment among advertising experts.

ALEXANDER DUNBAR, cashier of the Exchange National at Pittsburgh, recently delivered an address on "Deposit Building." The paper attracted a great deal of attention among bankers in his city, and will be found published elsewhere in this issue of THE CHICAGO BANKER. It is well worth reading and treats of a subject of deep interest to all bankers.

GROUP 6, Illinois, will hold its meeting this year at Tuscola, on June 6th. G. R. Helm, the secretary, is doing his level best to put up a good program, and one which will compare favorably with those gotten out by his fellow secretaries in the other groups.

G. D. ETTINGFR, vice-president of the First State Bank at Bourbon, Ind., calls the attention of his patrons to the growth which the bank has been making recently. Between the statement of December 5, 1911, and February 20, 1912, the gain in deposits was over fifteen thousand. This might not seem a great deal to one of the big central reserve banks, but in a city the size of Bourbon it is going some.

J. J. SMYTHE, a retired Iowa banker, who now lives in Minneapolis, owns two checks written in longhand by George Washington, one made at Philadelphia December 9, 1795, and the other at Mount Vernon July 11, 1798. The first named is for \$1,250, and is payable to George Dythe, Esq., one of the signers of the Declaration of Independence. The phraseology used by the father of his country will compare favorably with the language used in any of the modern form books prescribing the text for such documents.

IN the first of the two checks mentioned above, both of which are directed to the

(Continued on page 30)

ALL BRANCHES OF BANKING



1857

1912

ORSON SMITH	- - - President	P. C. PETERSON	Assistant Cashier
EDMUND D. HULBERT	Vice-President	C. E. ESTES	- - Assistant Cashier
FRANK G. NELSON	- Vice-President	LEON L. LOEHR	Sec'y and Trust Officer
JOHN E. BLUNT, Jr.	- Vice-President	F. W. THOMPSON	Mgr. Farm Loan Dep't
J. G. ORCHARD	- - - Cashier	H. G. P. DEANS	- Mgr. Foreign Dep't

CAPITAL AND SURPLUS - \$9,000,000



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

THE NATIONAL CITY BANK OF CHICAGO

Capital	- - - -	\$ 2,000,000.00
Surplus and Undivided Profits		587,563.63
Deposits	- - - -	30,713,013.20

OFFICERS

ALFRED L. BAKER	- Vice-President	DAVID R. FORGAN	President
H. E. OTTE	- Vice-President	HENRY MEYER	- Assistant Cashier
F. A. CRANDALL	- Vice-President	A. W. MORTON	- Assistant Cashier
L. H. GRIMME	- Cashier	WM. N. JARNAGIN	- Assistant Cashier
W. T. PERKINS	- Assistant Cashier	WALKER G. McLAURY	- Assistant Cashier
W. D. DICKEY	- Assistant Cashier	R. U. LANSING	- Manager Bond Dept.
		M. K. BAKER	- Asst. Manager Bond Dept.

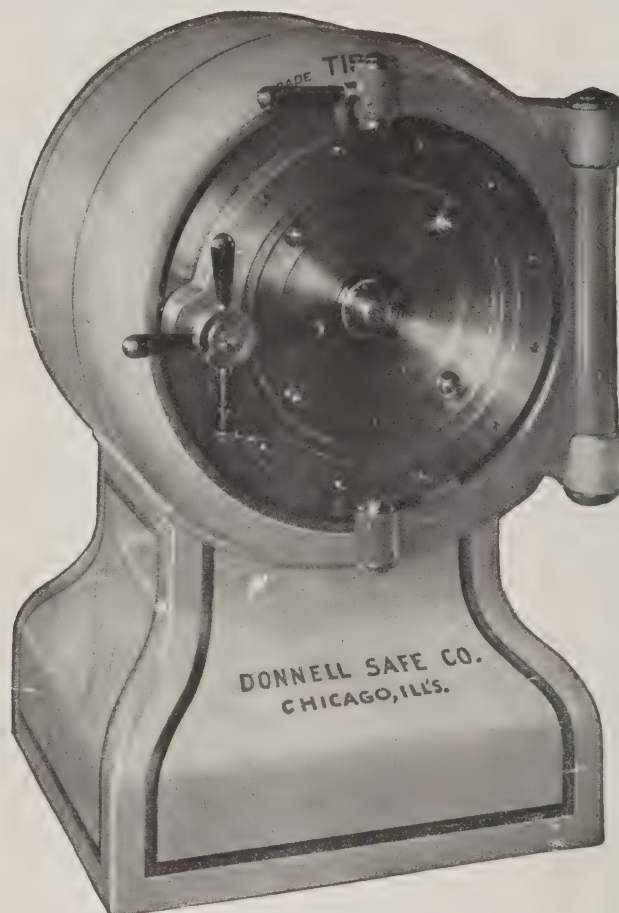
Fourth Street National Bank OF PHILADELPHIA

Capital	- -	\$3,000,000.00
Surplus and Profits		6,500,000.00

**UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED**

SIDNEY F. TYLER, Chairman of the Board	
E. F. SHANBACKER, President	FRANK G. ROGERS, Vice-President
JAMES HAY, Vice-President	R. J. CLARK, Cashier
B. M. FAIRES, Vice-President	W. A. BULKLEY, Assistant Cashier
W. K. HARDT, Assistant Cashier	

Donnell Safe Co.



General Western Agents for the York Safe & Lock Co., who have the best-equipped safe factory in America. Their Manganese safes are superior to any in the market. We sell these safes subject to a test against any Manganese safe made and will guarantee all our work equal, if not superior, to any made. We can refer you to any banker in Chicago. We carry the largest stock of bank safes in Chicago. Burglar vault doors, vault linings, burglar safes that have been used always on hand. A large lot of second-hand deposit boxes that are modern and good as new.

227-229 Washington St., Chicago, Illinois

The Girard National Bank OF PHILADELPHIA

Capital	- -	\$2,000,000.00
Surplus and Profits		4,585,000.00
Deposits	- -	40,000,000.00

FRANCIS B. REEVES, President

RICHARD L. AUSTIN	JOSEPH WAYNE, Jr.
Vice-President	Cashier
THEO. E. WIEDERSHEIM	CHARLES M. ASHTON
Second Vice-President	Asst. Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

MARCH 23, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

Briarcliff Special

The special transportation committee appointed to organize a train to convey western bankers to the mid-year meeting of the executive council of the American Bankers Association has concluded most of its arrangements. This committee is composed of Arthur Reynolds, Des Moines, chairman; George F. Orde, Minneapolis; F. O. Watts, Nashville; W. G. Edens and Nelson N. Lampert of Chicago. The train will leave over the Lake Shore from Chicago on Saturday, May 4th, about 2:30 P. M., and will arrive at Scarborough over the New York Central at a seasonable hour the following morning. It will leave Chicago shortly after the leaving time of the celebrated Twentieth Century Limited, and will run on a comfortable schedule so as to pick up members of the council and of committees from Indiana, Michigan, Ohio and New York state, who may wish to join the western members on the trip. Bankers from Detroit will get on at Toledo; those from Ohio will get on at Cleveland and those from New York at Buffalo and Albany. All arrangements for train equipment have been made through General Agent George Thompson of the Lake Shore, who will furnish for the bankers an all-steel train consisting of buffet and observation cars, and not less than five ten-compartment cars. If all of those who are at present eligible attend, the Chicago train ought to have at least one hundred passengers. If the ladies turn out as well as they have in times past, the total number probably will reach one hundred and fifty persons. It is expected by the transportation committee that all of the members of council and of all the important committees—South, Southwest, West and Northwest—will gather in Chicago on Saturday morning at the latest so that the train can be made a social success. The railroad company agrees to furnish a Saturday evening dinner which will be in keeping with the importance of the event; and the Briarcliff Lodge will have automobiles and auto-buses at the Scarborough Station, prepared to take everybody over the hills to the Lodge in time for an early luncheon and an afternoon at golf, driving, swimming or any other form of amusement which may be desired. It has been learned from eastern bankers that they expect to come early so that they may join the western representatives in sports and pastimes. All the committees will meet on Monday, and the two general sessions of the council will be held on Tuesday and Wednesday. Nearly all the guests probably will leave for New York on Wednesday or Thursday morning, since many of those present at the council meeting will want to attend the second annual banquet of the Trust Company Section, to be held on Thursday evening, May 9th.

Reservations may be made through any member of the committee or directly through the office of THE CHICAGO BANKER, as heretofore. All diagrams will be in possession of the committee. It is hoped that those going will agree to travel two in a compartment, so as not to make the train unnecessarily bur-

Pair of Prominent Southern Bankers



J. ELWOOD COX
HIGH POINT, N. C.



T. T. MUNROE
OCALA, FLORIDA

Mr. Cox is president of the Commercial National at High Point, N. C., and a member of the A. B. A. Executive Council.

Mr. Munroe is president of the Munroe and Chambliss Bank, Ocala, Florida, and vice-president of the A. B. A. for his state.

densome to haul. Being an all-compartment train, berths cannot be sold singly. Bankers accompanied by their wives will have first choice of all the good space. From reservation already at hand it would appear that not less than sixty per cent of those going will be accompanied by ladies. St. Louis bankers are advised that there is no excess fare charged on this train, and that the rates are the same by way of Chicago from St. Louis and kindred territory as they would be if going direct. It is to be hoped and expected that this train will be an all-western combination, and that it will haul everybody who can arrange to be present. Any bank in Chicago will make reservations upon request. No deposit on tickets or staterooms will be required.

EDENS, CHIEF OF HIGHWAYMEN

In hopes of recruiting the "men with the hoe" of central Illinois into the good roads army, W. G. Edens, who was elected president of the Illinois Highway Improvement Association at the first meeting March 12th, left Tuesday night for Taylorville, where he will open a five-day speaking campaign. He will visit twelve counties on his tour and will speak before several farmers' institutes, returning to Chicago Sunday after making an address at Champaign Saturday night.

Chester A. Bush

Chester A. Bush, who has been in the employ of the Northern Trust Company of this city for the past ten years, has been appointed auditor of the Harris Trust and Savings Bank.

STATE BANK OF CHICAGO

As a result of the recent rumor, that the State Bank was about to be consolidated with the Central Trust Company of Illinois, sales of stock of the former institution were made at 380 this week. Officers of the bank declare that there is not, and never was, any basis for such a report. It seems that the report was started by a broker, who bought some of the stock a short time ago, and who wanted to make a profit on it. It is said that the broker made fake bids of 390 for the stock, but was unable to find his customer, when it was offered at that price.

FIRST NATIONAL AT MINONK

Jacob S. Gerdes, a real estate dealer of Pontiac, Ill., has purchased the controlling interest in the First National of Minonk, Ill., taking 128 of the 250 shares.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

OFFICERS

GEORGE M. REYNOLDS President JOHN JAY ABBOTT Vice-President GEO. B. CALDWELL Vice-President CHARLES C. WILLSON Cashier FRANK H. JONES Secretary WM. P. KOPF Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
Circulars on application

105 South La Salle Street

CHICAGO

WEIL, ROTH & CO.

CINCINNATI AND CHICAGO

Municipal **BONDS** Netting 3.80 to 5.50%

Corporation **BONDS** Netting 5 to 6%

Short or Long Maturities

INQUIRE FOR LIST OF OUR HOLDINGS

115 South La Salle Street

CHICAGO

Fort Dearborn National Bank



UNITED STATES DEPOSITORY

Capital - \$2,000,000
Surplus - 500,000
Deposits - 26,200,000

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARWELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
THOMAS E. NEWCOMER, Asst. Cashier
HARRY LAWTON, Manager Foreign Department

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....\$ 9,887,954.84
February 5, 1909.....11,617,691.24
March 29, 1910.....15,041,357.21
March 7, 1911.....21,574,956.79
June 7, 1911.....23,137,746.88
September 1, 1911.....24,500,075.82
December 5, 1911.....25,445,199.89
February 20, 1912.....26,207,446.32

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Drovers Deposit National Bank OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-eight years rendered Efficient and Quick Service to its Correspondents

Resources, Nine Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER
GEO. M. BENEDICT
WM. C. CUMMINGS



Mainly About Banks and Bankers

GULFPORT bankers, under the chairmanship of J. A. Bandi, are making great preparation to entertain the Mississippi bankers at their convention to be held on May 21-23rd. Quite an elaborate program of entertainment has been arranged partially, and soon will be made public.

THE bankers of Biloxi have joined those of Gulfport in everything from helping to pay the expenses to helping to create the fun. Gulfport has a reputation for its ability to care for conventions, and its location directly on the Mississippi Sound will make a trip to the convention, in reality, a pleasant outing. Mr. Bandi will see that everyone gets hotel reservations, if not already provided.

SECRETARY J. L. HARTMAN of the Oregon association is going to beat all of his brother secretaries to it this year. Every session of his convention is to be devoted to the "back to the farm" movement, with side-dishes only for the currency question.

THIS year Oregon bankers will not discuss bank supervision and inspection, as has been the custom for a number of years past, owing to the fact that they finally have secured one of the best banking laws in the whole country. Secretary Hartman, at Portland, will be glad to furnish particulars to those intending to make the trip.

THIS is notice to J. A. Lewis, George F. Orde and other golf enthusiasts, that the Briarcliff Lodge people already have purchased a fine silver cup to be played for by the visiting bankers and committeemen at the Briarcliff meeting of the big council the week of May 6th.

COL. FARNSWORTH testifies that the course at Briarcliff "is one of the best in the whole country," and that eastern bankers will be on hand early to do battle with the westerners who will bring their clubs. Perhaps Col. Farnsworth may retaliate upon Luther Drake and other bankers at Omaha, who surreptitiously gave him a supply of hard balls with which to test the bunkers on the Omaha course upon the occasion of a recent visit.

IN the Taft Club of Illinois will be found the names of David R. Forgan, Chas. G. Dawes, John F. Smulski and H. A. Wheeler, all bankers of repute and standing. Among the vice-presidents a long list of bank directors will be seen. This ought to be notice to the public that Chicago's best financial instinct has told her not only that Taft ought to be, but that he will be, renominated at the Chicago convention in June.

PRESIDENT WALTER B. RICHIE of the First National at Lima is being urged for appointment to the vacancy on the supreme bench of Ohio, caused by the death of the late Judge James L. Price.

MR. RICHIE is not doing anything in particular about the matter, for the vacancy will be filled at the regular election next

November, although the appointee having the endorsement of Governor Harmon probably will be placed on the ticket at the primaries.

W. F. STONE of Peoria got off a pretty good one on his old friend W. G. Edens, upon the election of the latter to the presidency of the Highway Improvement Association. Stone's "wire" said "Having been elected president of the highwaymen, we are expecting that next you will be elected chief of the holdup men."

IN reality, Mr. Edens now has so many positions that soon he will be obliged to appoint deputies or hire assistants. On Tuesday evening of this week he left for Sullivan to speak at a meeting of Group 7, and from there went to a meeting of the good roads people at Champaign. Altogether, he is just about as busy as a national bank examiner in seasons when the demand for money is a little bit greater than the supply.

ON March 11th the Southern Illinois National and the Southern Illinois Trust occupied their new banking room at East St. Louis. Both of these are progressive, up-to-date banks, and for the first time are housed adequately to comport with their standing and importance.

THERE is a profusion of leaded glass, bronze, marble and beautiful hard woods in the makeup of the banking rooms, and the vault and safe equipment are the best that could be provided. As much of the material and labor were engaged in East St. Louis as was possible.

FIRST NATIONAL at Portland, Ind., is intending to give a corn show at the proper time this year. Cashier O. R. Easterday began to be interested in this form of bank advertising when he saw on the front page of THE CHICAGO BANKER, a picture of the First National corn show at Joliet. He immediately began to make inquiries for further particulars, and now is convinced fully that his county can make a very fair showing if given an opportunity.

IT is quite likely that President Woodruff of the First at Joliet will repeat his corn show this year, having made it such a success last year. Other banks throughout the corn belt of Illinois have been seeking information as to how the thing is done and asking for photographs showing the arrangement of the exhibits. All of these inquiries will be answered by Mr. Woodruff direct.

THE annual report of the Assets Realization Company of Chicago, for 1912, has been given out to stockholders and the public. Based on a capital of ten millions, the gross earnings have been above two millions, with the net over a million and a quarter.

IT will be remembered that in April of last year this company distributed its surplus to the common shareholders, and retired both the common and the preferred shares that they might issue instead ten millions of

single-class stock. This conversion was accomplished successfully, and the company now has outstanding its ten millions as above stated, listed upon both the Chicago and New York exchanges.

THIS operation brought into the treasury three and one-half millions of new money, and made an important cash distribution to the common shareholders. President George E. Shaw expects that, "notwithstanding the presidential election, the earnings for the coming year will be quite as good as they have been."

FARMER-BANKERS are advised to write to H. B. Waldron, care of the Coates House, Kansas City, for his prospectus on a single plat of land in Kansas, ten and a half miles long by four and a half miles wide, all for sale at \$15 per acre.

THIS tract of land contains twenty-five thousand acres; has two trunk-line railroads and an additional line is being built; there is good water, and about 850 acres now are under cultivation, three hundred of them being in alfalfa, six or eight years old, which will show what the land will do. Mr. Waldron will be glad to furnish particulars to those who may inquire. There is every reason to believe that a tract of land of this size, and of equal value, could not be found anywhere else in the country, and that anyone who might be able to take over such a tract would find it a fortune builder in the end.

GET in line for your reservations for the Briarcliff special. It will be the limit in perfection of equipment. And will run "on orders" to suit the members of council and committeemen who are going. Special features for ladies, who will turn out in great numbers.

PRESIDENT E. J. CURTIN of the Iowa bankers was in Chicago this week meeting with the state board of agriculture on "privileges" for the Iowa state fair. He is planning an agricultural number for the coming state convention, and left Chicago on Monday night to attend an executive council meeting at Cedar Rapids to fix dates.

LAST week a paragraph in this department, by the transposition of a line of type, credited the Dixon (Ill.) National with the combined deposits of all the banks in Dixon—\$1,676,000. Here's hoping the Dixon National soon will reach the sum.

LEWIS E. PIERSON was going to offer a cup for the bankers to golf for at Briarcliff but found the Lodge managers had beaten him to it. He's a nice man anyway.

L. A. GODDARD will be missed, he of the mighty swipe. Edens and Lampert, the new members, are mere niblick choppers compared with the State Bank Expert.

G. M. REYNOLDS is said to have been taking lessons at Coronado and both Watts and Perrin have been at practice.

(Continued on page 31)



COLONIAL TRUST & SAVINGS BANK

La Salle Street, N. E. Corner Adams, CHICAGO

JACOB MORTENSON, Vice-President
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W. F. DOGGETT, Assistant Cashier

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We offer a convenient and efficient service to those desiring a Chicago connection

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

JOHN A. LYNCH, President
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FIRST NATIONAL BANK MINNEAPOLIS

The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unflinchingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

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THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-eight years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

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DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-President
JOHN F. HAGEY, Assistant Cashier

R. F. NEWHALL, Assistant Cashier
G. H. DUNSCOMB, Assistant Cashier

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President
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FOREIGN EXCHANGE

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DO YOU NOT FEEL THE NEED OF A "YARDS" CONNECTION?

A trial account with The LIVE STOCK
Exchange National BANK of Chicago
will prove itself indispensable

THE LIVE STOCK Exchange National BANK OF CHICAGO

Canada's Growth Necessitates Revision of Bank Act

The decennial revision of the Bank Act of Canada was due in July, 1911. The time of parliament being occupied with the reciprocity discussion a special act was passed extending the present legislation for one year. The new government not having had sufficient time to consider the question, it is likely that a further extension will be made until July, 1913. In the meantime, the government and the bankers will consider banking problems and their relation to probable new legislation.

One of the most important and urgent matters to be discussed is increased circulation for the crop movement, which has been mentioned previously in these columns. As is known, in July, 1908, a short amending act was passed authorizing any bank during the usual season of moving the crops, from October 1st to January 31st of the following year, to issue circulating notes in excess of its paid-up capital to the extent of 15 per cent of its combined unimpaired capital and reserve fund. These notes bear interest not exceeding 5 per cent per annum. The rapid growth in the size of the crop has made these increased circulation powers insufficient. A prominent banker drew attention recently to the fact that his institution had quickly absorbed the available margin of circulation last year, and had it not been for the issue of new bank stock, difficulty would have been experienced in keeping within the limits of the law. He suggested that it is not unreasonable that the period for emergency issues should be extended to include the months of September and February.

In connection with this suggestion, it should be noted that because of the great development of business it is altogether likely that Canada will, in the near future, experience a currency stringency in the spring and summer months as well as in the autumn. This matter needs serious attention, and early action must be taken to guard against the possibility of such an occurrence. "The augmentation of capital by the banks," says a banker, "is the first remedy to be applied, but this is of necessity a slow process, and would scarcely keep pace with requirements. It may be hoped that during the discussion of the bank act means will be found to enable any Canadian bank possessed of sufficient resources to be able always to pay out its own notes across the counter without resorting to other forms of currency."

Inspection of Banks

The failure of several small banks in Canada during the past two years has given impetus to the movement for external inspection of banks. This will probably evoke considerable discussion when the bank act is

Conditions in the northern empire ably set forth by F. W. Field, well known financial editor and author. Much touted system entirely out of date

being considered by parliament. Government inspection has been suggested, as also inspection by the Canadian Bankers Association (which is composed of representatives of all the chartered banks in Canada), and inspection by the association and the government together. The bankers themselves have not said much on this subject, with the exception of a retired general manager, who has campaigned vigorously for external inspection.

Early this year, however, a conservative general manager of one of the leading banks, in the course of his address to the shareholders, referred to the system of inspection of his bank's head office by a committee of directors, and expressed the view that it had proved eminently satisfactory. Personally, he would be willing to see the banks submitted to some other form of outside inspection under the proposed revision of the act. "We have no objection to such an external inspection," he said, "if made by competent authority, and we will be ready to agree to whatever inspection the country, through its representatives, desires. But we are not in favour of an inspection by the Canadian Bankers Association, which would involve a responsibility being placed upon the banks constituting that body."

"Assumption by the bankers association of the duty would place upon the banks a certain amount of responsibility for bank failures. Our opinion is that no action which may be taken by the association should permit any such responsibility to be imposed, or even inferred. The directors of this bank are quite prepared to take the responsibility for their own acts, but we do not think this bank should have imposed upon it any responsibility that may attach to the condition of any other bank which is, or may become, a member of the association, and whose affairs may ultimately prove to be in an unsatisfactory state."

Some critics of the Canadian banking system are in favor of legislation of a more restrictive character than the present act. A royal commission to enquire thoroughly into the condition of banks in Canada and other countries was suggested in the house of commons at Ottawa. The reply of the then minister of finance was that he did not reject

the proposal, but at first glance he doubted whether it would serve the purpose.

Loans in New York

Another question which is frequently discussed is that of Canadian loans made in New York. It is most unlikely that any legislation will be drafted respecting that matter. Sir Edmund Walker has summarized an analysis of this position as follows:—

1. The banks lend money in New York at a much lower average rate than loans produce in Canada.

2. The high rates of interest so often referred to occur only on rare occasions coincident with panic, and do not materially affect the average rate earned; and that at the time of such high rates the Canadian banks are almost always withdrawing money from New York instead of sending it there.

3. It is the power to withdraw money at such times which enables the Canadian bankers to support their customers, and it is largely because of this power that, although the financial history of the United States is marked with frequent panics, no financial panic has taken place in Canada in recent times.

4. The object of the loans in the United States, therefore, is not to enlarge the profits of the Canadian banks, but to enable them to do justice to their customers in time of stress. Such loans are an evidence of caution and wisdom in the interest of Canada, and the policy should be the subject of praise by critics of Canadian banks, and not of dispraise.

Rate on Deposits

Another criticism has been that the rate of interest, 3 per cent., paid upon savings deposits is not high enough. There are many good reasons for the maintenance of the present rate. It has been usual to compare the Canadian with the higher rate paid in the United States. Dr. Johnson, of New York University, who reported on the Canadian bank system to the national monetary commission, at Washington, thought that a sharper distinction should be made between demand and savings deposits. He added: "The money of savings bank depositors should be invested in bonds and mortgages, and then could be made to yield a net return of over 5 per cent."

At present the commercial borrowers in all parts of the country are using the funds collected through the savings departments. In other words, the money is applied to discounts to the manufacturers, wholesalers, contractors, farmers, small merchants, traders and dealers. When these loans are made it is stipulated almost invariably that the funds

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Milwaukee National Bank
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Capital, \$450,000
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CAPITAL AND SURPLUS, \$10,000,000.00

shall be returnable in four months, or five or six at the outside. They must be based on liquid or merchantable security. Loans on fixed or immovable property are regarded as contrary to sound banking principles. Probably the strict adherence to principles like these explain the reason why Canada has escaped serious breakdowns in recent years. It is well known in banking circles that good short-date mercantile discounts are better qualified for enabling banks to meet their obligations promptly than are bonds and mortgages.

The segregation of savings depositors in Canada would mean the withdrawal of credits by wholesale from farmers, merchants, manufacturers, and the placing of the money in bonds and mortgages. Furthermore, it would mean the investment of a large proportion of the whole in foreign bonds. In making bond investments, the bankers find it necessary or desirable to buy no more than \$25,000 or \$50,000 of any one security. The number of Canadian bonds considered as sufficiently high-class for banking investment is strictly limited, and it would be necessary to fill up the portfolios with United States railway bonds to a considerable extent. Thus, in order to give the savings bank depositors an extra 1 per cent. per annum, Canada would have to see many commercial and industrial borrowers deprived of their credits, many millions additional of Canadian bank funds put into foreign bonds, and the position of the banks would not be so strong as at present in really liquid assets; in other words, their ability to withstand panics and disturbances would be less.

Although the United States depositor gets 4 per cent. in many instances, his claim against his bank is not so valuable as the claim possessed by a Canadian depositor in one of the strong chartered banks of Canada. The Canadian depositor in the first place has better security; in the second he can depend upon getting his money practically on demand at any time. The depositor in the United States savings bank is liable to have the "two months' notice" clause put in force against him during any time of great disturbance. For example, in 1907 he was not allowed to withdraw his money at the time in which stocks and securities were at the lowest level.

Building Reserve Funds

During the past few years the Canadian banks have built up strong reserves or rest funds. There have been critics even of that phase of Canadian banking. Professor Johnson thinks that sentiment seems to have had most to do with the increase of the rest funds, and adds: "There is a popular notion, and the banks have done a good deal to create it, that a bank's solidity and prosperity are somehow measured by the size of its rest fund, and the banks have engaged in unreasonable competition to bring their rests up to the highest possible amounts. Furthermore, bank directors and managers like to have the market prices of their stocks steadily climbing upward. If they divided part of their profits

among stockholders in the form of a stock dividend, there has always been the fear that the market price of the stock in consequence would decline and the bank somehow be injured. Bank directors also take pride in the maintenance of a regular rate of dividend. If they can increase the rate and at the same time add a proper amount to their rest fund, well and good, but they shrink from increasing the capital stock at the expense of the dividend rate."

Practical bankers in the dominion hold different views, and contend that the rest fund was intended primarily to strengthen the position of the bank and to insure that the interests both of depositors and shareholders should be protected and preserved. Since any losses that might occur would naturally be in connection with the loans and investments made by the bank, it is proper to consider the proportion which the rest bore to the discounts and investments of the bank, or to the liabilities due to the public, rather than to its proportion to the capital stock.

The percentage of rest to liabilities to the public of all banks in Canada was on December 31, 1901, 8.32 per cent., and on November 30, 1911, 8.16 per cent. The returns to the government show that the percentage of rest to total liabilities of the eight leading banks varies from 6.07 per cent. to 10.35 per cent.

Cash Reserves and Dominion Notes

"That the bank shall hold not less than 40 per cent. of its cash reserves and dominion notes," is section 50 of the present act. This clause is now obsolete, and will probably be removed. Though nominally framed to ensure that the banks held actual good cash in their reserves, its real object was to help the circulation of dominion notes. Aid to their

circulation is no longer needed. So long as the treasury department holds to its present practice, under the Dominion Note Act, of keeping dollar for dollar in gold against all dominion notes issued in excess of \$30,000,000, and 25 per cent. in gold against the first \$30,000,000 of issues, the banks will, of their own volition, hold the bulk of their cash reserves in the form of dominion notes, and the proportion of dominion notes will likely be in excess of 40 per cent. of the whole. There ought not to be any prohibition or disability placed against the holding of gold in banking cash reserves. No government notes that were ever issued can equal gold as a bank cash reserve, and it is obviously absurd to place a penalty on banks for holding too much gold and too little paper in their reserves. So long as the provisions of the Dominion Note Act are not altered the dominion notes will be, to all intents, gold certificates, and their convenience ensures their being given the preference while this holds.

Growth of Country Means New Powers

Altogether the revision of the bank act is likely to be confined to extension of the powers of the banks in order to cope with the remarkable growth of the country in every direction. Mr. John Knight, the secretary of the Canadian Bankers Association, thinks that the common sense of the press and the parliament can be relied upon to prevent any radical changes in what has proved a satisfactory system. Sir Edward Clouston some time ago observed: "When trouble arises the bank act is apt to be condemned by unthinking critics, but it is not the fault of the act, but of those who work under it. No amount of legislation will guard against the fallibility of the personal factor and keep men from being fools or knaves."

CALIFORNIA STATE BANKS PROSPEROUS

Figures compiled by the state banking department show a marked increase in the total resources of banks operating under a California charter in all parts of the state. The comparison is made between statements on call made as of February 9, 1912, and November 10, 1911. The resources now attain to a total of \$649,188,535.64; last November they were \$645,303,395.94. There has been a gain of approximately \$4,000,000, despite the losses from nationalization. Last June the resources were \$608,000,000. The gains have been evenly distributed over the state. The latest totals give the San Francisco state banks total resources of \$259,150,959.80; Los Angeles, \$110,898,735.14; Oakland, \$45,933,278.36; Sacramento, \$15,419,565.12. In individual deposits the growth in San Francisco during the last three months has been from \$209,824,093.79 to \$214,656,515.66, in Los Angeles from \$88,982,957.91 to \$94,191,648.83. The number of depositors in the state banks has increased in San Francisco during the last three months from 274,854 to 282,888 and in the whole state from 942,684 to 1,028,547.

Trust Company Service in New York City

This company, with ample capital, large resources, and an efficient, and well-systematized organization, which dates back to 1864, has the ability and disposition to give good trust-company service.

Our various departments, including banking, foreign exchange, bond, trust, transfer, reorganization and collection, are well equipped with modern facilities for transacting business promptly and economically.

For these reasons we feel justified in cordially inviting the New York accounts of banks and trust companies.

Guaranty Trust Company of New York

Capital and Surplus	\$23,000,000
Deposits	\$156,000,000



125 West Monroe Street
CHICAGO

Central Trust Company OF ILLINOIS

Capital, Surplus and Profits, \$5,000,000
Deposits - - - 35,000,000

Accounts of banks and bankers received upon favorable terms

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

John J. Arnold Addresses Foreign Trade Committee

At the recent conference held by the foreign trade committee with interested exporters of the foreign trade division, John J. Arnold, of the committee, and manager of the foreign exchange department of the First National Bank, supplied some unusually helpful information on the relation of banking facilities to the development of Argentine trade. He said:

"In the handling of any business transaction perhaps the consideration of first importance is that the parties concerned be informed as to each other's standing, both as to character and financial responsibility. While this is applicable to transactions taking place between parties coming into personal touch with each other, it applies with special emphasis to those doing an international business. If a local transaction were carried on, even to the point of delivery, without definite knowledge as to the ability of both parties concerned to live up to the agreement, the entire matter might be canceled, probably without serious loss, while in the case of a foreign or international transaction, the question of freight, insurance, etc., would naturally amount to a considerable item, which, of course, would have to be taken care of by the shipper in the event that the purchaser was not able to fulfill his end of the undertaking.

What the Two Parties Want to Know

"If for instance a Chicago manufacturer is put into communication with a merchant in Argentina, as a result of which samples are forwarded and sales are made, the Chicago manufacturer wants to know that the goods will be accepted when delivered, and that payment therefor will be made in accordance with the agreement which may have been entered into. On the other hand, the Argentina merchant naturally wants to be assured that the Chicago concern will deliver goods according to sample or contract as the case may be.

Discredited

"In this connection I wish to state that American manufacturers have become dis-

Exchange expert at First National gives earnest talk before Chicago Association of Commerce body on an important subject

credited to a very large extent in foreign countries because of the fact that frequently something which they considered 'just as good,' but was not in all respects in accordance with the article contracted for, was forwarded by them. The German manufacturer, on the other hand, has evidenced great wisdom in ascertaining to the minutest detail the kind of article that was desired and has manufactured and shipped goods in accordance.

What a Bank Can Do

"Every bank having an up-to-date foreign exchange department is in a position to forward and secure information with regard to all parties concerned, and I would suggest

that, if any manufacturer has occasion to communicate with merchants in the Argentina, or for that matter, in any foreign country, he immediately get in touch with his bank, requesting them to forward a report regarding the standing of his house to their South American correspondent located in the city where the prospective customer resides. If the Chicago man will secure the name of such correspondent from his bank, he can then report to his prospective client that any information which the latter may wish regarding the Chicago man's standing can be secured from the bank in question.

How the Goods Are Paid For

"On the other hand, for the sake of his own protection the Chicago man should request from his prospective customer a bankers' credit in accordance with the terms agreed upon. If goods are sold in this manner, the Chicago man's customer in South America would go to his bank and advise them of the contract entered into, and if his standing is satisfactory his bank will issue a letter of credit, which will be forwarded to the Chicago shipper, and a copy or advice of same to the Chicago correspondent of the South American bank, and as soon as shipment has been made and shipping documents, etc., in accordance with the terms of the credit, are delivered to the Chicago foreign exchange banker, the shipper will be in position to negotiate his draft on the reimbursing bank named in the credit in question.

Our Banking Laws Not Favorable

"This will give the shipper the funds in payment for his goods immediately after shipment has gone forward, and even before making the shipment he has the assurance that provided the contract is lived up to in every particular so far as the shipper is concerned he will receive his funds without delay.

"Under our banking laws as now existing we must admit that we are laboring under many disadvantages as compared with the facilities which European banks can offer. Banking institutions in practically all parts

J. HERBERT WARE

EDWARD F. LELAND

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THE FARMERS' AND MECHANICS' NATIONAL BANK

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427 CHESTNUT STREET

Capital - - - \$2,000,000.00
Surplus and Profits 1,452,000.00
ORGANIZED JANUARY 17, 1807
Dividends Paid - \$13,197,000.00

OFFICERS

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Henry B. Bartow, Cashier John Mason, Transfer Officer
Oscar E. Weiss, Assistant Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS, 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. Corner La Salle and Washington Streets

Capital - - - \$1,500,000
Surplus and profits (earned) 1,922,000
Deposits over - - - 24,000,000

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JOHN R. LINDGREN, Vice-President C. EDWARD CARLSON, Asst. Cashier
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IF YOU HAVE NO CORRESPONDENT

IN CINCINNATI

We will welcome the opportunity of proving to you the benefits which will accrue from forming a connection with us



of Europe are in a position to guarantee the payment of international transactions of this character. without, however, actually advancing the funds. Under our national bank act we are prohibited from furnishing our guaranty or credit in this way.

Under the Proposed Banking Reform Practice

"Should the Aldrich plan for the establishment of a central reserve association become a law, we will in this respect be placed on an equal footing with banking institutions abroad. If, for instance, a Chicago importer wishes to purchase goods in South America, we can furnish him with a similar credit but on account of the obstacle above referred to we must secure the acceptance of one of the European banking institutions, which in the case of South America is usually accomplished through London. On the other hand, credits furnished by South America covering exports from the United States are also as a rule made available through London, thus making the exchange transaction a three cornered one.

A Direct Exchange Market

"If transactions between North and South America could be financed by applying our imports against exports direct, we would soon establish a direct exchange market, which now is practically impossible. This I think you will readily see would be of great advantage to both exporters and importers in both countries, and would undoubtedly result in the establishment of better banking facilities for the handling of exchange transactions.

"It is of course readily apparent that whenever the accommodation of acceptance on the part of European banks is called into service by American banking institutions the same must be paid for by some one and usually the American pays the toll. Aside from the question of furnishing greater elasticity to our currency system, the Aldrich bill carries with it desired reforms in the method of handling

international banking transactions, which can rebound only to the good of Americans interested in international trade."

Alfred M. Barrett

At a meeting of the trustees of the Guardian Trust Company, New York, last week, Alfred M. Barrett was elected treasurer.

NEW YORK BANK LAW WEAK

Jeremiah T. Mahoney, who has been conducting an investigation into the affairs of the International Trust Company and the Borough Bank of Brooklyn for the state banking department, has submitted his report to the state superintendent of banks. The report charges the state banking department under a former administration and the district attorney's office of Kings County with laxity in their dealings with the closed Borough Bank, characterizes the present state banking law as "inherently weak," and recommends to State Superintendent Van Tuyl the passage of a law based on the present national banking act, classifying as felonies acts now classed as misdemeanors and making the penalties more severe.

THE FINANCIAL REVIEW

"The Financial Review" is a well-known year-book which is issued every March by the "Commerical and Financial Chronicle" of New York. The 1912 issue furnishes a complete record of financial and industrial events and markets for the year 1911. It also contains valuable statistics in regard to crop pro-

ductions, foreign commerce, production of precious metals and prices for stocks and bonds. The contents include such subjects as "Bank Clearings and Speculation," "Banking, Finance and Currency," "Prices of Foreign Exchange" and "Prices of State Securities." The price of this volume is \$2.00. Pliny Bartlett, 513 Monadnock Block, is the Chicago distributor.

OHIO BANKERS TO MEET AT CEDAR POINT

At a meeting of the council of administration of the Ohio Bankers Association last week it was decided to hold the convention of the association at the Hotel Breakers, Cedar Point, July 2nd and 3rd. The dates were the best which could be secured, as the resort is booked up for almost the entire season. The plan for a lake trip had to be abandoned, as the association was unable to obtain a boat large enough to take care of those who would go. It is said that the Cleveland bankers have already asked for the 1913 convention, and that it will go to that city.

MERGER APPROVED

Stockholders of the Bankers Trust Company and the Manhattan Trust Company have authorized the merger of the companies into the Bankers Trust Company. An increase in capital stock of the Bankers Trust Company from \$5,000,000 to \$10,000,000 was authorized. Of this stock \$1,000,000 will be issued immediately upon completion of merger plans in exchange share for share for stock of the Manhattan Trust Company. Balance of stock has been subscribed at par by present stock holders of the Bankers Trust Company, and will be issued April 2d.

Bankers Trust Company has declared a dividend of 6 per cent, payable April 1st to stock of record March 28th. Dividend will be paid on \$6,000,000 stock, which includes \$1,000,000 issued in exchange for stock of the Manhattan Trust Company.

American National Bank

Louisville, Ky.

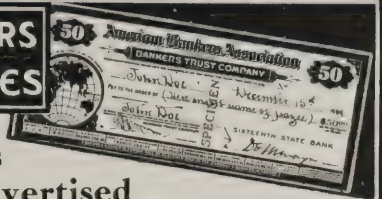
Capital and Surplus, \$1,000,000

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D. R. FORGAN URGES CENTRAL BANK

Financial panics such as have been experienced in the United States during recent years were described as a national disgrace by David R. Forgan, president of the National City Bank of Chicago, in an address before the Transportation Association at the Great Northern Hotel Thursday afternoon.

Mr. Forgan said that the Aldrich central bank plan would cure the evils of the present financial system and make such panics either impossible or remote possibilities.

Mr. Forgan said that the bankers now are practically unanimous in their support of the plan and asked that members of the association bring all of their influence to bear upon congress to get the proposed legislation enacted into law.

"This is not merely a bankers' question," said Mr. Forgan. "Bankers can worry through panics; and, indeed, the banks often make more profits at such time than they do at other times, for the simple reason that they get the highest rates the law will allow them for any money they loan. It is the business man whose credit is curtailed or cut off at such a time and the long lines of workmen thrown out of employment that are really the chief sufferers from a panic.

"I know that in some of your minds there is the question as to whether this is not after all a proposition for Wall Street to get control of the country. Believe me when I tell you that there is nothing in this organization for Wall Street to control. J. Pierpont Morgan himself cannot borrow a dollar from this organization if he should put up government bonds as security, and the amount that any one bank can borrow from it is so limited that all will be treated on an equal footing."

PRIVATE BANK ROBBED

The Bank of Berea, a private institution twelve miles west of Cleveland, was robbed on March 21st by burglars who blew open the safe and escaped with the entire contents, amounting to \$25,000.

H. H. Hitchcock

Howard H. Hitchcock, vice-president of the First National of Chicago, is off to French Lick for a ten-days' vacation.

BANK INCREASES CAPITAL

Salinas, Cal.—At a meeting of the stockholders of the Salinas Valley Savings Bank March 9th, the amount of capital stock was increased from \$50,000 to \$100,000, the value of the shares was increased from \$25 to \$100, and the number of shares was decreased from 2,000 to 1,000. The secretary was instructed to call in all old shares and to issue in their stead new ones marked 50 per cent paid up. The certificates showing the changes have been filed in the office of the county clerk.

GRAND HAVEN STATE BANK

The Grand Haven State Bank has been sued for \$100,000 by Franklin Benjamin, a land promoter. The suit is for the unlawful suing out of an attachment writ.

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The Johns Creek Ranch

Is offered in one body at \$15.00 per acre. Near main line Rock Island R. R., Clark County. The best watered tract of land in Kansas. For particulars, address owner.

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Kansas City, Missouri

COST GREATER IN MICHIGAN

According to the annual report of the bank department of the state of Michigan, just received at the office of the Indiana auditor of state, administration of the state banking laws in that state is much more expensive than in Indiana under the act of the recent general assembly. The Michigan report shows that Michigan had 416 institutions, during the period covered by the report, subject to supervision by the state. One commissioner, a deputy and thirteen examiners were employed to do the work, and the cost of administering the department was \$11,266.39 more than the proceeds from fees.

For the twelve months ending March 1st, of this year, Indiana had 640 institutions subject to state bank department supervision. A chief clerk and six examiners attended to all the work of the department, and during the twelve months turned into the state treasury \$6,000 more than the expenses of the department. Michigan had several bank failures, where it cost from 9 to 12 per cent of the capitalization for receiverships. Indiana had only one receivership during that time, which began in January. Harry L. Arnold, chief clerk in the Indiana department, said because the receivership had not been completed it could not be determined what it would cost.

TURN FROM LAW TO BANKING

Records obtained from fifteen classes at Princeton for the twenty years preceding 1905 show that a surprising number of graduates become lawyers. The numbers were nearly three times greater than the totals for either teaching, engineering or medicine. Of late years, however, the number of graduates choosing the legal profession has fallen off considerably and there is a corresponding increase in late years in favor of business. One-third of the total number of graduates engaged in business are in banking.

The average earnings on capital in Philadelphia banks for the year has exceeded 20 per cent.



ESTABLISHED 1902

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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

Peoria is one of the most important banking cities in Illinois, and the opinion of one of its leading bankers, William Hazzard, cashier of the Commercial-German National Bank, will be of interest to his many friends in the financial world. A few weeks ago Mr. Hazzard was invited to deliver a course of lectures before the combined classes in economics of the University of Illinois, which were highly interesting. Concerning financial conditions in and around Peoria he says:

"While underlying conditions are undoubtedly sound, commercially and financially, some of the things which lie on the surface are difficult to account for.

Deposits in country banks are high, and yet collections over the territory tributary to Peoria are reported in some lines as slow, while in other lines are reported as better than sales.

During February country bank balances with Peoria banks reached the highest figure known, and while they have gone off materially since the first of March they still are high. Ordinarily at this date accommodations are required by country banks, but this year there has been very little inquiry for funds from that quarter. This part of the state was fortunate in having a large corn crop last fall, and agriculturists have therefore been in a position to profit by the high prices, which have prevailed during the season.

A large volume of grain has been moved, but the scarcity of cars during the last thirty days or more has seriously interfered with its transfer to the mills and to the seaboard. A very unusual phase of the distribution of grain from Peoria has been the marketing of large quantities in Kansas City, St. Louis and other points, which are usually supplied from a different direction.

The high price of produce and cereals, the storage of large supplies necessitated by the shortage of cars and the slowness of collections in some important lines have resulted in a very healthy local demand, so that it is probable that purchases of commercial paper on the part of banks in this vicinity have been less than in the average season at this period.

A hopeful feeling is largely in evidence, and while caution is being exercised business is proceeding with a good deal of confidence."

Death of Clinton Banker

For a bank to lose two presidents by death within a year is unusual, but the State Bank of Clinton has had this experience. The death of Levi R. Murphey a few days ago removed a man who had been with this bank for about eighteen years as cashier, and who was lately elevated to the presidency by the death of William Argo less than a year ago. Mr. Argo's death was very sudden, as he expired while sitting at his desk in the bank. Mr. Murphey was a "banker-farmer," owning a good farm in DeWitt county, was a prominent democratic leader in local affairs, and had served his county one term as sheriff. He had been ill for several weeks, but his demise was very sudden. W. W. Murphey, president of the John Weedman National of Farmer City, DeWitt county, is a brother of the deceased.

Havana Banker Taken by Death

N. C. King, president of the Havana National, secretary and treasurer of the Havana Metal Wheel Company, and a stockholder in the Crescent Forge Shovel Company, died at the Wesley Hospital in Chicago, whither he had been taken after a long illness. He was born in 1851 at Johnstown, Pennsylvania. The past six months have removed a startling number of Illinois bankers.

Illinois Notes.

Application has been made to the controller of the currency for permission to organize the Lawndale National in the Hawthorne district of Chicago.

A package containing \$300 consigned to a bank in Abingdon mysteriously disappeared from an express wagon while being conveyed to the bank.

It is reported that John J. McNally, A. S. Pratt and George Showyer of Lewistown, Fulton county, are to establish a new bank in Los Angeles, California.

The funeral of the late Fred E. Harding, president of the Second National of Monmouth, was an impressive affair, as the dead banker had been prominent for many years in his home city. His sudden death in the Far West was especially sad.

William C. White, president of the Illinois National of Peoria, has been named a director of the Peoria Association of Commerce. He has lately served this association as treasurer, but under the rules of the organization the funds remain in each bank in the city one year, and he therefore cannot hold the funds and act as treasurer a second year.

The discharge of the "boy banker," Earle W. Butler, now in the penitentiary at Joliet, will probably be delayed indefinitely as his creditors refuse to release him. The statute of limitations, which runs ten years, will doubtless release Butler, now keeping books in the physicians' department of the penitentiary.

Jacob S. Gerdes has purchased the control-

F. E. FARRELL	Established 1864	E. E. CRABTREE
F. G. FARRELL & COMPANY, Bankers		
Successors to First National Bank		
JACKSONVILLE, ILL.		
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IRVING NATIONAL EXCHANGE BANK

A Decade of Growth—Comparative

United States	1900	1910	Per Cent Increase
Population.....	75,994,000	91,972,000	21%
Wealth.....	\$88,517,000,000	\$125,000,000,000	41%
Money Circulation.....	2,055,000,000	3,180,000,000	54%
Savings Bank Deposits ..	2,389,000,000	4,070,486,000	70%
National Bank Deposits ..	2,458,000,000	5,287,216,000	115%
Bank Clearings, U. S.....	84,582,000,000	158,559,487,000	87%
Bank Clearings, N. Y.	51,964,000,000	99,257,662,000	91%

Irving National Exchange Bank

	1900	1910	Per Cent Increase
Capital.....	\$ 300,000	2,000,000	566%
Surplus and Profits	100,900	1,797,900	1681%
Deposits.....	3,446,500	28,360,200	722%
Assets.....	4,108,800	33,347,200	711%

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ling interest in the First National of Minonk, having bought 128 shares from the cashier, J. F. Shepard. Mr. Gerdes will devote his time to the bank.

DEATH OF MRS. J. P. HINTON

Hannibal, Mo.—The death of Mrs. J. P. Hinton, the well-known banker and publicist of this city, occurred here on Saturday morning, on the twenty-seventh anniversary of her marriage to Col. Hinton. The Hintons are among the best known families in Missouri. There remain the husband and Martha and William Hinton, children.

PENNSYLVANIA BANKERS HOLD BANQUET

Beaver Falls, Pa.—The first annual banquet of the Associated Banks of Beaver County was held on March 14th in the Tamaqua Club here. One hundred and fifty bankers and invited guests were present, and addresses were made by Raymond Cox of the Fourth National Bank, New York, president of the American Institute of Banking; Henry A. Williams, national bank examiner, of Pittsburgh, and George P. Early of the American Sheet and Tinplate Company of Pittsburgh. The toastmaster was Dr. J. S. Louthan of Beaver Falls.

STATE POPULAR LOAN AGENT

Bismarek, N. D.—North Dakota board of school and university lands is in a quandary as a result of the fact that it has only \$200,000 to loan on farm lands, and has applications on file for loans totaling \$489,700. Three years ago the state school land fund was opened for loans on farming land in this state, the low rate of 5 per cent interest being charged, and as a result the farmers are anxious to obtain state funds. Only three counties in the state did not make requests for loans. One county has farmers seeking more than \$40,000 in loans.

THE CONFERENCE OF STATE SECRETARIES

On Friday, March 15th, a business session of the secretaries of the various central state banking associations was held at City Club. On Saturday at one o'clock a luncheon was tendered the visitors at the Blackstone. The following were present: Col. Fred E. Farnsworth, general secretary of the A. B. A.; President E. J. Curtin and Secretary P. W. Hall of the Iowa association; Earl S. Gwin and Andrew Smith, president and secretary respectively of the Indiana Bankers Association; President C. J. Monroe and Secretary (Mrs.) H. M. Brown of the Michigan association; Francis McGiverin and William B. Hughes, president and secretary of the Nebraska organization; President Karl J. Farup and Secretary W. C. MacFadden of the North Dakota association; Major Stacey B. Rankin, secretary of the Ohio Bankers Association; J. W. Hoopes, secretary of the Texas association and president of the Secretaries Section of the A. B. A.; State Secretary

Frank M. Mayfield of Tennessee, secretary of the Secretaries Section; J. E. Platt, secretary of the South Dakota association; Secretary W. W. Bowman of Kansas; President Harris and Secretary Crampton of the Illinois Bankers Association; Geo. D. Bartlett, secretary of the Wisconsin association, and W. F. Keyser of Missouri. Olive S. Jennings, assistant secretary of the Illinois association, reported the conference. Chicago bankers who attended the luncheon on Saturday are: August Blum, vice-president, and John W. Hagey, assistant cashier, of the First National; former state president Homer McCoy; B. C. Sammons, vice-president of the Corn Exchange; E. L. Wagner, president of the National Produce Bank; Ralph VanVechten, vice-president of the Continental and Commercial; Henry S. Henschen, of the State Bank; A. W. Morton, assistant cashier of the National City, and W. G. Edens of the Central Trust. Mr. Blum was the accomplished toastmaster and introduced those called upon for remarks. Messrs. Farnsworth, Hoopes, Curtin, Rankin, Harris, and VanVechten made short talks. The main subject was insurance. Rumor has it that some of the more ambitious secretaries have thoughts of forming a new, strong company. None but members (secretaries) were admitted to the business sessions.

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PAYS FIFTH OF LIABILITIES

Harry L. Arnold, head of the banking department in the office of the auditor of state, Indianapolis, Ind., has announced that the American State Bank of Terre Haute, recently thrown into the hands of a receiver, paid a 20 per cent dividend on its liabilities. According to Mr. Arnold, the bank probably will be able to pay out its liabilities in full. The institution was thrown into the receivership when it was found that the accounts of W. H. Taber, former president, were short approximately \$25,000. Much of that sum was secured, Mr. Arnold says. The receiver for the bank is J. C. Kolsen of Terre Haute.

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

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L. G. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
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R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit
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Charles Schriber
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Gustave Pabst
Patrick Cudahy
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Gardner P. Stickney
Clement C. Smith



BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

Work on the new building of the new Milwaukee State Bank at Muskego, Greenfield, and Eleventh avenues is fast nearing completion, and will be ready for occupancy on May 1st. The building is a two-story limestone and pressed brick structure with the most modern of interior furnishings. An ornamental iron portico extends over the Greenfield Avenue or main entrance to the building. The bank will open with a capital of \$75,000.

New First National Bank Building

The D. H. Burnham Company, of Chicago, is receiving bids for the proposed sixteen-story structure of the First National Bank, to be erected at East Water and Mason streets.

Wisconsin Forward Association

Secretary George D. Bartlett of the Wisconsin Bankers Association is one of the active promoters of the newly organized Wisconsin Forward Association, whose object is to advertise the state's natural resources and manufacturing advantages by means of a press and advertising bureau and expositions. Other prominent residents of the state among the charter members are: Alvin P. Klettsch, W. H. Mylrea, Geo A. West, D. E. Bingham, O. Rathmann, E. Grimmer, Frederick Crane-field, J. W. P. Lombard, F. A. Cannon, Joseph C. Grieb, Robert L. Gates, Harry W. Lewis, Senator John S. M. Donald, John P. Hume, W. H. Webb, C. L. Dennis, William George Bruce, A. D. Campbell, Charles A.

Coon, and William MacLaren. Headquarters of the association will be in Milwaukee.

Forgers on Trial

The case of Hans Boessl and Michael Scherer, charged with forging large notes in Bavaria, was reopened this week with the arrest, for the third time, of Scherer. A warrant is also out for the arrest of Boessl, who disappeared after his last release a week ago. The federal court officials, United States marshal, the immigration officials, and the German consul are all involved in the dispute over the final disposal of the case, which has occupied nearly four months.

National Board of Trade

The proposal of Charles Nagel, secretary of commerce and labor, for a national board of trade will receive the endorsement of the Milwaukee chamber of commerce, at the conference on the proposal in Washington, April 15th, called at the instance of President Taft. Resolutions have been passed to this effect, and will be present by the Milwaukee delegates at the meeting.

Aid Forger

The Sons of St. George are making investigation of the case of James Ludford, an Englishman held at the county jail on several charges of forgery, with a view to effecting his release and return to his friends in England. Judge August C. Backus of the municipal court has given tentative consent to

this arrangement in view of the man's obvious mental weakness.

Appointed Receiver

Nathaniel Greene, prominent Milwaukee real estate man, has been appointed receiver of the Eureka Investment Company of this city under the proceedings instituted against the company by the Merchants and Manufacturers Bank.

Bequest of \$500 to Pope

The practical working out of the Wisconsin inheritance tax law took a novel turn this week as involved in the will of Johanna Brandt, who died on January 27, 1911. The will stipulates a bequest of \$500 to Pope Pius X. The county court has decided that the first \$100 is exempt under the law, while the Pope will have to pay \$20 on the remaining \$400. This is the first bequest of the kind in the history of the court.

Association Formed to Secure Better Railway Facilities

In an effort to secure better railway facilities in the Fox River Valley manufacturing section, the commercial clubs of Fond du Lac, Oshkosh, Neenah, Menasha, Appleton, Kaukauna, Marinette, and Green Bay have effected an affiliation to be known as the Fox River Valley Association. According to the campaign program, the Chicago & Northwestern Railroad will come in for an early grueling by the association, it being charged



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The First National Bank of Milwaukee

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Established 1847



Capital - - - \$500,000.00
Surplus and Profits 500,000.00

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G. A. RUESS, Mgr. South Side Branch	R. N. McMYNN
J. H. TWEEDY, Jr.	C. C. YAWKEY
GUSTAV RUESS	

by the officers that the Northwestern and Soo lines are in collusion for mutual protection, to the damage of the manufacturing interests in the section represented.

Celebrates Ninetieth Birthday

Stephen Bull, one of the founders of the Manufacturers Bank of Racine, and a pioneer among the manufacturers of the state, celebrated his ninetieth birthday in Racine a few days ago. Mr. Bull was one of the organizers of the J. I. Case Threshing Machine Company, and owner of the Milwaukee Harvester Company, before it became a branch of the International Harvester Company. Several years ago he lost his eyesight, and has been totally blind ever since, although in the best of health.

More Postal Savings Banks for Wisconsin

An order received from the postoffice department at Washington this week authorizes the establishment of 101 additional postal savings banks in as many cities and towns of Wisconsin, the order to take effect on April 12th. The new postal savings banks will be opened in the following places: Abbotsford, Albany, Algoma, Almond, Amery, Amherst, Arbor Vitae, Arcadia, Argyle, Athens, Baldwin, Barron, Bayfield, Birnamwood, Blair, Blanchardville, Bloomington, Boscobel, Brodhead, Cadott, Cambridge, Campbellsport, Camp Douglas, Cashton, Cassville, Cedarburg, Clintonville, Corliss, Delafield, Dorchester, Edar, Elkhart Lake, Elroy, Fairchild, Florence, Fox Lake, Frederic, Galesville, Grafton, Greenwood, Hancock, Hayward, Highland, Hillsboro, Horicon, Independence, Juneau, Kaukauna, Kewaunee, Lena, Loyal, Luxemburg, Manawa, Marion, Mattoon, Mauston, Mazomanie, Merillon, Milton, Milton Junction, Mondovi, Mosinee, Muscoda, Necedah, Neekosa, New Glarus, New Lisbon, North Freedom, Oakfield, Odanah, Onalaska, Oregon, Osceola, Osseo, Owen, Pardeeville, Peshtigo, Pewaukee, Plainfield, Prescott, Princeton, Poynette, Rio, Sauk City, Seymour, Sharon, Sheboygan Falls, Shell Lake, Shullsburg, Soldiers' Grove, Spring Valley, Tigerton, Viola, Waterford, Wautoma, Westby, West Salem, Whitehall, Wildrose, Winneconne and Wonewoc.

Wisconsin News Notes

The county treasurer received a big check from City Treasurer C. B. Whitnall this week

in payment of the balance of the city's share of the county's taxes for 1911. The check was for \$1,198,081.94. On January 28th the city paid over \$150,000 of the tax money, making the total \$1,348,081.94.

A reunion of the family of Senator Isaac Stephenson was held in Marinette on March 17th, during a short visit of the senator at his home. Members of the family present were: Mr. and Mr. J. L. Morgan, Oshkosh; Mrs. Nelson J. Ludington, Chicago; Mr. and Mrs. Grant Stephenson, Wells, Mich.; General and Mrs. Joshua Hodgins, Mr. and Mrs. Harry J. Brown, Mr. and Mrs. Ralph Skidmore, and William George Stephenson, Marinette.

The capital stock of the Lincoln County Bank has been increased from \$50,000 to \$100,000. A. H. Stange is president and founder of the bank.

E. A. Krembs succeeds George A. Foster as cashier of the National Bank of Merrill. Mr. Foster, who has been cashier of the bank since its founding, has been promoted to the vice-presidency.

An increase in resources of about \$8,000,000 in ten weeks is the showing made by Wisconsin banks, according to recent abstract reports compiled by Commissioner of Banks A. E. Kuolt. The period embraced is from December 5, 1911, to February 20, 1912.

A \$165,000 bond issue for the building of a new county courthouse at Racine has been authorized by the Racine county board.

Pliny Bartlett

On Saturday last Pliny Bartlett, for years the western manager for the Commercial and Financial Chronicle, suffered a paralytic stroke. The doctors promise little for the immediate future, Mr. Bartlett's mind being affected and one side of his body helpless. He is well and favorably known among bankers and financial men in the Middle West.

American Telephone & Telegraph Co.

A Dividend of Two Dollars per share will be paid on Monday, April 15, 1912, to stockholders of record at the close of business on Saturday, March 30, 1912.

WILLIAM R. DRIVER, Treasurer.

TRUST COMPANIES MUST PAY TAXES ON THEIR REAL ESTATE

Detroit, Mich.—Trust companies in Michigan that have been paying a specific tax on their capital stock must now pay taxes on real estate and other securities held by them. This, in substance, is an opinion just handed down by the supreme court of Michigan. It affects the Union Trust Company, which was the plaintiff in the case, the Security Trust Company and the Detroit Trust Company, all of this city, as well as all trust companies in Michigan.

The decision further means that all mortgages given to a trust company, wherein the man who gives the mortgage pays the taxes on the property, are void if the rate of interest named, together with the city tax rate, make the total exceed 7 per cent. This decision is equally far reaching, as the trust company mortgages provide for the payment of interest by the mortgagor.

AMONG THE VISITING BANKERS

Among out-of-town bankers who visited the city this week are the following:

H. R. Dennis, former president Sioux Falls (S. D.) Savings Bank; Frank T. Ransom, president Union Stockyards Bank at Wichita, Kan.; Charles Cornelius, president of the First National at Neillville, Wis.; A. F. McLaine, president of the Traders National, Spokane; Ferd Luthy, president of the Merchants National of Peoria.

LOAN ASSOCIATION FORMED

Albany, New York, March 15.—The Utica Provident Loan Association, an up-state concern, which is expected to operate beneficially for persons desiring to secure small loans upon the pledge or mortgage of personal property, and in opposition to the exactions of the so-called "loan sharks," has been authorized by Superintendent George C. Van Tuyl, Jr., of the state banking department to begin the transaction of business.

The company is formed with a capital of \$10,000, and is to be located in Utica. Among the directors are: Chas. A. Miller, Thomas R. Proctor, Francis K. Kernan, Sherwood S. Curran, Daniel D. Crouse, Merwin K. Hart, William S. Doolittle, George S. Dana and Otto A. Meyer, all of Utica.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

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J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, March 20.—Bankers here report slowness in the demand for money, which has come to be a rather old story. Thus far the improvement looked for in March has not materialized, and there is nothing in the situation indicating that borrowers will be more plentiful and aggressive in the near future. This is particularly true of St. Louis, as shoe and dry goods people, who constitute the chief phalanx of borrowers, will receive heavy payments in April, so that their own resources will keep them out of the market for some time, and they will be liquidating loans instead of making them. There has been considerable activity in building, but the banks have not benefited greatly by this, though the trust companies report heavy loans to contractors and material concerns. The inquiry from stock and bond brokers at this point continues extremely light. While business with these gentlemen has picked up somewhat, it has not as yet exhausted their own latent capital. Relatively speculation here has been less than at other cities, the recent upturn in securities having failed to lure the St. Louis public into the market, and the chances are that said public will rejoice that it was not lured before the final political adjustment, and the settlement of the coal and other important questions. The opinion seems general here that, while the ultimate trend of the market will be upward, and stocks are good for a long pull, in the meantime sharp recessions are likely, especially in certain favorite issues, which have been featured in the late advance.

The Agricultural Situation

The most hopeful spot in the outlook is in the country, where prospects are just about as hopeful as they ever get at this particular period of the year. While farm operations are backward in some sections, this is more than offset by the prosperous look of winter wheat, and the excellent condition of the soil for all unplanted crops. The condition of seed corn is extremely poor, but farmers have been plentifully warned of this, and will doubtless take the necessary precautions. In the Southwest the agricultural demand for funds is beginning to take on life, and chances are that it will be earlier and heavier this season than for a number of years. This is due to the enormous sums required for winter feeding, which has consumed country bank resources in many places, and will force borrowing from the reserve centers.

Movement to Get Conventions

Local business men and financiers have started a strong campaign to secure conventions of various kinds for St. Louis. This is

considered one of the most effective ways for advertising a city, and in the past has resulted in landing considerable new business by firms here. L. D. Kingsland, formerly president of the St. Louis Manufacturers Association, has been chosen head of the convention bureau of St. Louis. The organization has opened offices in the Commercial building, from which the campaign will be pushed. A fund of \$20,000 is being raised, more than two-thirds of which has already been subscribed. It is estimated that there are in the United States some 10,000 organizations of one kind or another, which maintain national headquarters, and part of the bureau's work will be to secure as many of these as possible for St. Louis.

Guaranty Levy Upheld

Advices from Oklahoma City state that Judge John Cottrel of the federal district court has held that assessments of the state banking board to support the state banking guaranty fund were not confiscatory, and were not without due process of law. The opinion was given this week in the case of the state banking board against the Peoples National Bank of Kingfisher, Okla. Judge Cottrel, however, declined jurisdiction in the case, as the United States supreme court already had upheld the constitutionality of the state banking guaranty law. The Peoples National was converted from a state into a national bank, and shortly after the annual assessment was levied by the state banking board. Judge Cottrel declared that while no bank was compelled to stay in the state banking business, a former state bank converted into a national bank must pay its obligations due before the conversion.

City Bonds in Demand

The present low money rates have stimulated the demand for municipal bonds, and city of St. Louis issues of various dates have ad-

vanced sharply during the past few weeks. These bonds have gotten very scarce, and can only be had at stiff premiums. The bond market generally has been good, especially for the placing of new issues. Southwestern mortgages have sold readily, both here and in the eastern markets.

Arkansas Bankers Meet

The recent meeting of Group 7 of the Arkansas Bankers Association at Pine Bluff was one of the most successful and largely attended in the history of the group. There were more than fifty delegates, representing fourteen counties, besides numerous bankers from St. Louis, Kansas City, Chicago, Little Rock and Memphis. R. L. Hyatt of Monticello was elected chairman; J. B. Simms of Lake Village, vice-chairman, and Rau Underwood of Stuttgart, secretary and treasurer. The address of welcome was by W. H. Langford of Pine Bluff, and H. B. Palmer of Star City responded. In his annual report Treasurer Joe Nichol of Pine Bluff showed a healthy condition for the seventy-nine banks in the group, and a large increase in deposits and net earnings. A good increase in membership was also shown.

Advocate Banking Legislation

In a comprehensive talk, Mr. Nichol reviewed the failure of Arkansas bankers to secure a uniform banking law at the last session of the state legislature and suggested that the association appoint a strong committee to work for the passage of a law that will be satisfactory to bankers and their patrons. Mr. Nichol pointed out that in this respect Arkansas is behind other states in the Southwest. Among the visiting bankers at the meeting were: E. L. Rice, Memphis; vice-president of the Bank of Commerce and Trust Company; G. A. Bones, assistant cashier of the same institution; W. B. Taylor, of the Boatmen's Bank of St. Louis; George R. Baker, assistant cashier of the National Bank of Commerce of St. Louis; E. C. Stewart, assistant cashier of the Third National of St. Louis, and E. F. Dunscomb, assistant cashier of the First National of Chicago.

Commonwealth Sells Bonds

The Commonwealth Trust Company reports the sale of Stephenville North and South Texas Railway Company bonds as being quite brisk in eastern markets, it having placed over two-thirds of the entire \$2,423,000 issue in New York. This, with other issues recently placed by local bond houses and financial institutions, shows a keen demand in the East for western improvement bonds. The bond

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

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Pres. First Nat'l Bank,
Norwich, Conn.

Capital and Surplus
\$3,000,000

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Pres. Witherbee,
Sherman & Co.
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Pres. U. S. Finishing Co.



CAPITAL
\$2,000,000

SURPLUS
\$2,000,000

DEPOSITS
\$35,000,000

C. H. HUTTIG	-	-	-	President	T. WRIGHT	-	-	-	Vice-President
G. W. GALBREATH	-	-	-	Vice-President	R. S. HAWES	-	-	-	Vice-President
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department of the Commonwealth, which was recently organized under the management of James D. Chambers, formerly manager of the bond department of the Union Savings and Trust Company of Cincinnati, has been making rapid strides. It has participated in several important underwritings, besides having increased its routine bond investment business in a considerable degree.

Arkansas Banker Indicted

Advices from Fort Smith, Ark., are to the effect that an indictment, growing out of the failure of the Central Bank and Trust Company of Fort Smith last December, has been returned against Rankin Mason, one of the incorporators of the bank. Mason is accused of swearing falsely to articles of incorporation. He was arrested at Sulphur Springs, Ark., and taken to Fort Smith to give bond. Mason was formerly assistant United States District Attorney at Topeka, Kan., and was well known in politics in that state.

Lead Company Refinanced

The Doe Run Lead Company of New York and Missouri has been reorganized and refinanced through A. G. Edwards & Sons, by the sale of \$2,200,000, 6 per cent bonds. Practically the entire issue was disposed of to St. Louis capitalists. This company is owned by the same interests as the St. Joe Lead Company and the Mississippi River and Bonne Terre Railway, and is capitalized at \$10,000,000. It owns about 6,700 acres of mineral lands in Southwest Missouri.

Attractive Booklet Issued

The American Trust Company, banking department of the Title Guaranty Trust Com-

pany, has issued an attractive, eight-page folder to take the place of the stereotyped bank statement, usually gotten out by financial institutions. The folder, besides setting forth the various financial data of the statement in shape easily grasped by persons lacking technical knowledge, gives facts of interest regarding the growth of the institution and operation of its various departments. There are figures to show that the business of the company has trebled in little more than two years. Deposits in December, 1909, were \$1,396,000, and in February, 1912, \$3,268,000.

Houston Oil Company

The Houston Oil Company, which is owned mainly by St. Louisans, will shortly enter upon a comprehensive plan for developing the oil resources of its 800,000-acre tract of land in the Texas oil belt. At a recent meeting of the board, experts were contracted with for commencing operations in the tract. The president of the company is Colonel Samuel W. Fordyce of St. Louis, who with Edwards Whitaker, president of the Boatmen's Bank, recently effected a reorganization of its finances.

STATE BANKERS ASSOCIATION ELECTS OFFICERS

At the annual meeting of Group 8, New York State Bankers Association, William Woodward, president of Hanover National Bank, was elected chairman of the executive committee, and George Prosser, president of Liberty National Bank, was elected secretary and treasurer. Other members of the committee were J. H. Martindale, J. S. Alexander, S. G. Nelson, B. H. Sabin, Pierre Jay and R. P. Grant.

NEW SALT LAKE BANK BUILDING

Walker Brothers of Salt Lake City are making fine progress with their new, modern, steel bank building, into which they expect to remove upon its completion. This banking firm occupies a very strong position among the banking powers of the Far West, and in recent years has been making wonderful progress and substantial growth. From half-tone illustrations it would appear that the new bank building is to be strictly modern, that it would be a credit to any city, and entitled strictly to the first rank of such buildings in western cities.

BIG TRUST COMPANY ORGANIZED

Corpus Christi, Texas, March 16.—A million dollar trust company, to be known as the Southwest Texas Bank and Trust Company, was organized here to-day. The stockholders are local capitalists and leading financiers of Houston and San Antonio. The first meeting resulted in a determination to rent temporary quarters and start operations in three weeks. Two hundred and fifty thousand dollars stock has already been sold, the balance to be disposed of to people in Southwest Texas. The names of the incorporators have not yet been divulged.

BANK CLOSED

Charleston, W. Va., March 18.—Upon the order of State Banking Commissioner Samuel V. Matthews the Bank of Spencer, a Roane county institution, has closed its doors. Expert auditors are now conducting an investigation of the affairs of the bank, but it is claimed by the state banking department that the depositors will be fully protected.

Editorial Comment

THE FARMER AND THE BANKER

Western bankers who have attended meetings and conventions where banking facilities for the farmer were under discussion have been surprised when the speakers held it to be difficult for a farmer to borrow money or that he was held up by the banks for an excessive rate of interest. A charge of this kind was made at the New Orleans convention by a very distinguished Ohio banker, and his statements were just as promptly called in question by bankers from Illinois, Iowa, Minnesota and Missouri. Bankers in these western states have held for years that a good farm mortgage is an ideal investment, either for large or small investors. Iowa farm mortgages, for instance, are spoken of among Iowa bankers with quite as much respect and regard for their safety as government bonds might be referred to in a New England savings bank. The farm loan has not anything of the "get rich quick" nature about it, and its purchaser is a long way from being a speculative buyer. Farms in the Middle West chiefly are the homes of their owners. The wife is a part proprietor in that she is a co-worker with the husband, and the children are educated from these homes, and are taught household economies which make them good citizens of the republic. Probably there is little difference in the quality of the security from state to state, if the valuations are made by men who are acquainted with the value of the land upon which the loans are made. Everything depends upon the integrity of the valuation and the character of the man owning the property. Insurance companies have been large purchasers of farm mortgages for a number of years. Their only disadvantage is that they usually have a very short fixed maturity compared with the maturity of bonds and stock investments. This feature of the security, however, makes it much more available for banking purposes. There are many banks in Illinois and in other western states which keep certain customers supplied with good farm mortgages over a term of years. The plan simply is to furnish a new mortgage when the old one is due, or about due, thus keeping "at home," as the borrowers like to feel about it, all the papers in the case. One well-known down-state institution lets it be known generally that it does not sell, outside of its own county, the farm mortgages which it makes. Not so very long ago this institution was called upon by an enterprising firm which had sold its business, to redeem nearly sixty thousand dollars worth of these securities. There was no express agreement that the bank would redeem, but the purchaser called attention to the fact that he was told when he purchased the mortgages that the bank did not wish them to go outside of the

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

county; hence he did not wish to take them along with him, but instead he wished to take the cash. Such a condition is not met with very frequently, and it was the first in the history of this particular bank, but it made good and took the mortgages over for cash. Fortunately it found ready customers for the mortgages and was in no sense embarrassed about it. This all proves the principal contention of western bankers that a genuine farm mortgage made for value is about the best security known in banking circles. It also is an incentive to national banks which wish to have the laws so changed that they may make farm loans, thus coming into competition with state institutions in a lucrative and safe department of their business.

HIS POLITICAL JUDGMENT

Those American voters who never before have doubted the political acumen of Theodore Roosevelt are coming to the conclusion that in the present situation he has committed an error of judgment of almost magnificent proportions. There are few among the well-informed who do not believe that the Colonel thinks for a moment that he is yielding to an overwhelming public demand, in coming before the people for a third term. Evidences are in plenty that he is running for the office, and that the office in no sense is pursuing him. Taking this as a premise, it would have been wiser for Mr. Roosevelt to declare himself promptly and earnestly for President Taft, with a provision that if the people wanted him for president again, he would agree to accept the office at the end of Mr. Taft's second term. Nothing human then could have prevented Taft's renomination at this time, nor of Roosevelt's in 1916. That would have been real politics. If the Colonel had declared publicly that he believed Mr. Taft had not had a fair chance, and that he had been criticised unjustly, it would have made the ex-president much stronger with the people than he is today.

Had he adhered, not to his oft-repeated promise never to run again, but to his announced decision upon his return from Africa that hereafter he intended to devote his life to literary pursuits, and to the promotion of every cause leading to better government and

greater prosperity of the people, he might in future have been idolized almost along with the martyred presidents with whose names he so frequently connects his own.

As to Mr. Taft's renomination, there scarcely is room for a doubt. He has received nearly all the delegates who thus far have been elected, and there is every indication that he will be renominated upon the first ballot at the Chicago convention. The oftener Mr. Roosevelt explains what he meant when he said he never again would run for the presidency, and the more frequently he reinterprets his Columbus speech, the easier it becomes for Mr. Taft.

A MODERN WILLIAM TELL

It is related in the public prints that when the authorities had cornered the three escaped penitentiary convicts in a farm-house out in Nebraska, one of the attacking party proved to be a modern William Tell, and that he surpassed in daring and accomplishment the deeds of that wonderful Alpine hero. The convicts who had killed their keeper barricaded themselves in a farm-house and were well armed with rifles and ammunition. They compelled the farmer's wife, who was alone with them in the house, to stand in the window, that the best shot among the bandits might use her as a shield, and fire at the attacking party over her shoulder. This was kept up for some time with telling effect upon the members of the posse. Finally a young bank clerk, a member of the state militia, and an accomplished rifle shot, who had been successful in many local tournaments, proposed that he could shoot the bandit in the right eye without touching the woman, the next time he sighted his gun over her shoulder. At first this was not agreed to lest he might err in his aim and kill the woman. He felt so certain, however, that he finally overcame all opposition, and the next time the rifle barrel appeared at the open window he took careful aim for along the top of the protruding gun barrel, and at the report from his own rifle the bandit fell dead, shot directly in the right eye.

There always has been an advantage in warfare where the people concerned have been accustomed to handling weapons. It was effective in the Boer war, and in the American wars against Great Britain success never could have come in any other way. It is related that after the battle of New Orleans, where the American troops engaged under Jackson killed more than their own number of the enemy, a special committee was sent by Napoleon to make an examination of the kind of guns used by the Americans. It is reported that in all subsequent orders for firearms for the French troops, the guns were made at least eighteen inches longer than ever they had been before. This was the commit-



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And its affiliated institution

The Minnesota Loan and Trust Company

Are in a position to give to their customers and correspondents every form of legitimate financial service. Scientific organization and management combine to make this service complete in every detail of efficiency.

Combined Resources over Thirty-Six Millions

tee's idea of why the aim of the American soldier was so deadly. The truth is that each soldier under Jackson was a big game hunter, and Indian fighter combined, and was accustomed to see something drop when he shot. Bank clerks and tellers in regions where hold-ups are likely to occur could not better improve a part of their spare time than by taking daily gun and revolver practice. Banks should be willing to bear the expense of such practice, and in the event of arms being required for the defense of the bank against robbers, the probabilities are that those who are best able to shoot accurately, and only when they see something to shoot at, will come off victorious. The lesson taught to the American public and to the world by the young Nebraska militiaman ought to be a stimulant toward perfection in defensive marksmanship.

STATEMENT OF NATIONAL BANKS

The statement of national banks, on the call of February 20th, issued this week, shows loans amounting to \$5,810,000,000. This is an increase of \$408,000,000 over the figures of a year ago. Loans now are \$180,000,000 in excess of deposits. The increase in securities held by banks since last December is the smallest in two years.

BROOKFIELD STATE BANK ORGANIZED

The Brookfield State Bank at Brookfield, just west of Riverside, has been organized and will open for business on April 6th. Several officials of the Continental and Commercial National have been elected directors. They include Vice-Presidents Ralph Van Vechten and James R. Chapman, and W. W. Lampert, assistant cashier. John F. Hein of the Continental and Commercial National is president of the new institution. W. W. Lampert has been elected vice-president and Charles B. Wunderlich cashier.

C. T. KOUNTZE

C. T. Kountze, president of the First National of Omaha, says: "Business outlook here is improving and banking situation is more satisfactory than for two years past. Crop outlook is good on account of large amount of snow during winter. If satisfactory crop is grown I believe financial situation will continue to improve."

Clark, Dodge & Co. of New York have opened a Chicago office in the Rookery of this city. E. P. Truett is the Chicago manager.

B. M. Chattell

B. M. Chattell, cashier of the Illinois Trust of this city, is recovering from a slight illness. He expects to resume his duties within a few days.

SAVINGS AND LOAN ASSOCIATIONS

Albany, New York.—Report of George C. Van Tuyl, Jr., superintendent of banks, states that condition of 245 savings and loan associations operating in the state clearly indicates that they are experiencing uniform prosperity at present time.

On December 31, 1911, savings and loan associations had 142,292 members, an increase during the year of 3,754. Dues and dividends credited to members, including matured stock, amounted to \$52,092,935, making average holding of each member \$366.10. During the year they issued 370,071 shares, while 249,834 shares were withdrawn. Value of shares withdrawn was \$12,835,091.

There was during the year a gratifying decrease in the amount of real estate owned. The total real estate owned by the local associations only amounted to \$859,820, or 1.73% of total assets. Total undivided earnings of all associations, including contingent fund, was \$2,508,467, and percentage of undivided earnings to accumulated capital was approximately 4 4-5 per cent, a slight decrease during the year.

DEMAND FOR COMMERCIAL PAPER

Present demand for commercial paper is good, a large amount being demanded by country banks. The maximum rate is 4 per cent.



CAPITAL
\$2,000,000.00

SURPLUS
\$1,000,000.00

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E. L. TAYLOR	Assistant Cashier
C. R. LAWS	Assistant Cashier

IROQUOIS COUNTY BANKERS ORGANIZE

Under the county organization plan of the Illinois Bankers Association, a meeting of Iroquois County bankers was held at Watseka on Thursday, March 7th, and a permanent organization effected. The officers elected are: Richard H. Meents of Ashkum, chairman; E. D. Durham of Onarga, vice-chairman, and Nathan P. Goodell of Loda, secretary-treasurer. There are thirty banks in Iroquois County, twenty-four of which are private banks, and as a natural consequence they dominated the organization. Mr. Meents as temporary chairman stated the object of the meeting and explained the plan of federation as outlined by the state association. Mr. Durham spoke at length on the "Relation of County Organization to both State and National Associations," and strongly urged the bankers to co-operate with both of them. At his suggestion the chair appointed a committee which drew up a constitution and set of by-laws similar to those in service in other counties already organized. The bankers of Watseka gave the visiting bankers a warm reception and a "sumptuous" banquet at the famous Kelly's Inn. Mr. Durham offered the following resolution, which was adopted:

"Recognizing that the farmer and his success are fundamental to our best and general prosperity,

BE IT RESOLVED, That his interest should be our chiefest care."

It also was resolved that the members of the federation of banks of Iroquois County be solicited to contribute \$5 each for a fund to be given to the educational committee of the county to be added to the prize fund for the boys' corn contest.

The following banks were represented at the meeting: A. Goodell & Sons Co., of Loda; Merritt & Koplin, Danforth; Merritt & Koplin of Buckley; Egley Bros. of Onarga; Egley Bros., La Hogue; Durham Bros. of Onarga. Ashkum Bank; Farmers and Merchants of Ashkum; First National, Clifton; First National of Crescent City; Citizens State of Watseka; First National, Watseka; First Trust and Savings of Watseka; First National of Milford; Iroquois County Bank of Cissna Park; Martinton Bank; Bank of Donovan; H. Lambert & Son of Beaverville; Woodland Bank and J. Sumner & Sons of Stockland.

Galveston, Texas.—Directors of the City National Bank have elected the following officers: W. L. Moody, Jr., president; F. G. Pettibone, vice-president; S. T. Hanson, cashier; Hoskins Foster, C. W. Gary, A. H. Estes and A. T. Schwarzbach, assistant cashiers.

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Otto J. Krampikowsky on Illinois Banking History

Illinois banking history began in 1816, when the territorial legislature passed an act incorporating the "President, Directors and Company of the Bank of Illinois." This was Illinois' first legalized "wild cat." When the state's constitution was adopted August 26, 1818, Illinois had two banks in operation, both carrying the public moneys received from the sale of Illinois lands.

In 1819 the state started in the banking business. In that year it incorporated its first bank with a capital limited to \$500,000.00, all of it being owned by the state. The legislature was invested with its entire management and control, the president and directors being elected by the senate and house of representatives on joint ballot. The property, lands and faith of the state were pledged without any restriction for the redemption of the bills issued. There were \$300,000.00, which was to be put into circulation, and the bills were to be loaned on notes secured by mortgage at the rate of 6 per cent per annum; but as the bills themselves bore an interest of two per cent the borrower virtually paid but 4 per cent.

This currency soon flooded the state, and all gold and silver disappeared as circulating mediums. It was scarcely in circulation, however, before it began to depreciate in value. First it went to seventy cents on the dollar, then to fifty cents, when it disappeared from circulation, having found its way into the hands of speculators, who looked to the state for its ultimate redemption. As under the terms of its charter all taxes and revenues were payable in these bills at par, the state became hopelessly entangled in its financial system, and was forced to withdraw the circulation. This was begun in 1824, and continued to 1831, when Illinois ended its banking business after having suffered a loss of nearly the value of its original issue of bills.

There were many banking experiments in Illinois, and particularly in Chicago during the first fifty years of statehood, but the most important departure was made in 1865, when the Chicago Clearing House Association was or-

ganized. This institution started out with twenty bank members whose capital stock amounted to \$7,364,100, and deposits of \$17,339,715.

The total clearing house exchanges from the date of organization of the Chicago Clearing House Association in 1865 to December 31, 1911, reached the enormous total of \$214,693,109,760. The increase in bank clearings from 1880 to 1911 in the four principal cities of the United States shows Chicago far in the lead in percentage of gains. Chicago's bank clearings increased during that period 800 per cent; New York, 250 per cent; Boston, 250 per cent, and Philadelphia, 300 per cent. The total exchanges which passed through the Chicago clearing house in 1911 were \$13,925,709,802.

In order to be a member of the Chicago Clearing House Association a bank must have at least \$500,000.00 paid up capital. At the present time there are twenty banks in the association. In addition, there are thirty-seven non-member banks affiliated with the association, which are subject to the same rules and regulations as are the members, except that they are not compelled to pay an entrance fee, and have no voice in the association affairs. They have many advantages, however, and are regularly examined by the special examiner of the association.

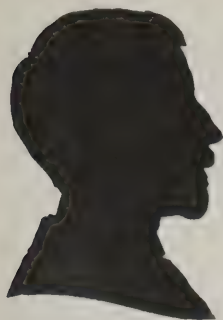
Nearly eighty banks are doing business in Chicago that are not affiliated with the clearing house, but they are mostly small institutions run by private individuals. Unfortunately there is no law in Illinois that prevents any individual, no matter how incompetent, from opening a banking institution and styling himself a banker. There have been a number of failures among this class of banks during the past few years, and the people are now beginning to realize the superior advantages of institutions which are members of or affiliated with the clearing house association.

The strength of the banking institutions of the country was severely tested by the panic of 1907, nevertheless Chicago banks passed through the financial storm without harm, not a single bank suspension being recorded. Dur-

ing the money stringency period of 1907, clearing house checks in denominations of \$1.00, \$2.00, \$5.00, and \$10.00, to the amount of \$13,873,000, were printed by the Chicago Clearing House Association. Of this amount \$7,600,000 went into temporary circulation. About \$7,000 is still unredeemed; the checks are either lost or held as souvenirs.

Chicago's position in the financial affairs of this country is becoming stronger and more important each year. A few years ago no one thought of seeking large amounts of capital for western and southern enterprises in Chicago; every important project was financed in the East. To-day practically the entire West looks to Chicago for financial aid in important commercial undertakings. After the Chicago fire Boston capitalists practically covered Chicago with mortgages; to-day Chicago financiers are loaning considerable money on real estate in New York as well as Boston.

Of the Chicago national banks which joined the clearing house association in 1865, all but the First National either discontinued or merged with other banks. The Commercial National was a charter member and retained its identity with the association until it merged with the Continental National on August 1, 1910. The Continental was a member of the clearing house association from its organization in March, 1883, until consolidation with the Commercial. On September 1, 1909, the Bankers National merged with the Commercial National. This was the only merger, or consolidation agreement which the Commercial entered into during its existence, until it merged with the Continental. The Continental National purchased the Globe National on November 7, 1898. The Globe was organized January 22, 1891, and when acquired by the Continental its deposits amounted to \$2,500,000.00. On October 27, 1904, the Continental National purchased the National Bank of North America, which had been doing business a little more than a year, and whose deposits amounted to \$14,000,000.00. The American Trust and Savings Bank, which had been affiliated with the Continental National, was



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changed at the time of the Continental and Commercial merger to the Continental and Commercial Trust and Savings Bank, the same stockholders owing both institutions. On August 11, 1911, the Continental and Commercial National purchased the Hibernian Banking Association of Chicago.

The Commercial National Bank was for many years a tower of financial strength in the Middle West, and was one of the best managed banking institutions in the country. It was organized late in 1864, and was authorized by Hon. Hugh McCulloch, then comptroller of the currency, to begin business January 13, 1865. The capital stock paid in was \$200,000.00, and in a little more than a year the deposits exceeded half a million dollars. In the beginning of 1867 the capital stock was increased to \$500,000.00. The capital stock was increased at various times as follows: In 1886 to \$1,000,000; in 1889 to \$2,000,000; in 1897 to \$3,000,000; in 1909 to \$7,000,000; in 1910 to \$8,000,000. The office of president was filled continuously by Henry F. Eames, from 1867 to 1897. On January 1, 1898, James H. Eckels, former comptroller of the currency, was elected president. On July 5, 1907, George E. Roberts, director of the mint, succeeded Mr. Eames. On August 20, 1909, the Bankers National was purchased, and the capital stock of the Commercial National was increased from \$3,000,000 to \$7,000,000. On March 1, 1910, it was increased to \$8,000,000.

The Continental National was organized on March 5, 1883, with a capital stock of \$2,000,000. Its capital stock was increased from \$2,000,000 to \$3,000,000, on April 1, 1901; on April 6, 1906, to \$4,000,000, and on September 7, 1909, it was increased to \$9,000,000. There are few such banking achievements recorded as the one made by the Continental during its quarter of a century of separate existence. When it consolidated with the Commercial its deposits were approximately \$90,000,000. Much of the remarkable financial history of the Continental National crystallizes around George M. Reynolds, who became identified with the bank as cashier on December 1, 1897; he was promoted to the vice-presidency, May 1, 1902, and was elected president in January, 1906.

When the Continental and Commercial National banks were consolidated on August 1, 1910, Mr. Reynolds was chosen president of the new institution. He is also president of the Continental and Commercial Trust and Savings Bank, chairman of the board of directors of the Northwestern Trust and Savings Bank, president of the Hibernian Banking Association, which institution was purchased by the Continental and Commercial National, August 11, 1911. He is also president of the Northwestern Safe and Trust Company of Chicago.

At the time Mr. Reynolds was elected cashier of the Continental National, its deposits were \$12,000,000. When it consolidated with the Commercial its deposits were \$90,000,000, a gain of approximately \$5,500,000 per year.

At the present time the deposits of the Continental and Commercial National, the Continental and Commercial Trust and Savings Bank, and the Hibernian Banking Association aggregate \$223,270,000 with total assets exceeding \$265,000,000.

There is one thing that attracts the attention of every business man when he enters the Continental and Commercial National, and that is the uniform courtesy on the part of every official and employee of the bank.

Mr. Reynolds holds no official identity with any industry or financial institution but the Continental and Commercial and its affiliated institutions, except a directorship in the Guthrie County National and Des Moines National, institutions with which he was connected in the early days of his banking career. Furthermore, he separates the Continental and Commercial from every enterprise except the banking business in which it is engaged. As head of the Continental and Commercial National Mr. Reynolds has no code of instruction to guide him; on the contrary, he has to edit that compilation himself and enrich it with fresh matter as experience suggests and necessity requires. It is his part to instruct, not to receive instruction, to foresee and devise, and not to look to others for foresight or resource.

When the consolidation of the Continental and Commercial took place on August 1, 1910, the new bank opened for business with deposits aggregating \$160,000,000. When Mr. Reynolds first associated himself with the Continental, twelve years previous, the total deposits of all the national banks of Chicago were but \$146,000,000, or \$14,000,000 less than those of the Continental and Commercial Na-

tional when consolidation took place. The Continental and Commercial is, in some respects, the largest bank in this country, actually having a greater number of depositors and employees than any other financial institution.

Closely following the footsteps of George M. Reynolds is William G. Schroeder, now vice-president of the Continental and Commercial National. It was in 1907 that Mr. Schroeder became cashier of the institution, and through hard and persistent efforts on his part, the routine of the general office work was improved to a very large extent.

In the year 1910, Mr. Schroeder was elected to fill the position of secretary, and the early part of January, 1912, was elected to the higher office of vice-president, which he now fills. Mr. Schroeder takes a deep interest in deserving young men, and personally helps them in molding their future.

The president directing the policy and progress of the bank under its plan of organization is kept in touch with all the affairs and important details of the bank's daily business. The vice-presidents meet every day in executive session and consider all the loans and confer with the president on all important matters. The current business of the bank is departmentized, and under the careful scrutiny and charge of Mr. Schroeder, vice-president.

1. Assistant cashier is responsible for the development of the out-of-town and new business, and all correspondence relating to the facilities extended to correspondents is referred to this department.

2. Assistant cashier is responsible for the service to country correspondents, the transfer of balances, exchanges, and money.

3. Assistant cashier is in charge of special transactions with city customers, as well as the city people not customers, advertising, charities and disbursements.

4. Assistant cashier is responsible for the service to and the handling of current business with city depositors.

5. Assistant cashier is in charge of the development of the business with city depositors and the new city business.

The auditor audits the accounts of correspondents, city depositors, and audits all the departments.

The chief clerk purchases all the supplies and has charge of the employment of the clerks.

The assistant chief clerk is responsible for the department and efficiency of clerks and despatch of the work.

The Continental and Commercial National Bank has begun the erection of a new bank building which, when completed, will represent an investment of over \$10,000,000, the supervision of which work has been left in the hands of Mr. Schroeder, vice-president, by the board of directors. The building will occupy an entire block, and will be located on La Salle, Adams and Quincy streets and Fifth Avenue. It will be ready for occupancy (Continued on page 23)

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KANSAS CITY, MO.

ESTABLISHED 1865

Capital, \$2,000,000

Surplus, \$500,000

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J. J. HEIM, Vice-President
WALTER S. DICKEY, Vice-President

J. W. PERRY, President
W. L. BUECHLE, Vice-President
CHAS. H. MOORE, Vice-President
JAS. T. BRADLEY, Cashier

CHAS. M. VINING, Assistant Cashier
W. H. GLASKIN, Assistant Cashier
JAS. F. MEADE, Assistant Cashier

Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

On account of continued unfavorable weather conditions, business in the Central West has been in a condition of suspense for three weeks and the sunshine of the past few days has released dozens of trains that were snow bound and brought in tons of long-delayed mail. Some of the towns of western Kansas had no rail communication with the outside world for periods of ten days. Kansas City and Omaha bankers are now taking care of mail that should have been answered weeks ago. Very few visitors have come to the banking centers and general business was simply frozen up. However, the snow storms have brought great satisfaction to farmers, merchants and bankers because of the fine promise for crops which now animates the entire agricultural section of the trans-Mississippi West. While the spring will be late, there never were better prospects for wheat, corn and cotton. Bankers are jubilant and from the somewhat meager reports which come to them from their country correspondents, they are looking for a splendid revival of business within a few weeks.

Banking Investments in Kansas City

A recent investigation of banking investments in Kansas City has disclosed some interesting facts. There are thirty-one banks in Kansas City, with approximately 11 and a half million dollars capitalization, and they have nearly 2,400 stockholders, making an average of less than 50 shares for each stockholder. From this investigating authority we find that the National Bank of Commerce, with \$2,000,000 capital, twenty thousand shares of \$100 par value, reports the largest number of stockholders, 417, showing an average of forty-eight shares each. Ten men hold 6,707 shares, or slightly over one-third. The Commerce Trust Company has the second largest number of shareholders, 288, with an average of thirty-five shares each. The National Reserve Bank has 270 shareholders, with an average of forty-five shares. The Southwest National has 259 shareholders with an average of less than forty shares. The total capital stocks of the thirty-one banks in Kansas is 11 and a half million dollars, but the market value, based on current quotations is about 28 millions. Dividends paid by all Kansas City banks last year amounted to about $\frac{3}{4}$ million dollars. The largest holdings of bank stock (market value) in Kansas City are: The Abernathy family, \$1,828,000; E. F. Swinney, \$858,000; the Armours, \$700,000; J. Z. Miller and sons, \$626,000; J. F. Richards, \$525,000; J. F. Downing and family, \$360,000; Watt Webb and family, \$300,000; F. P. Neal, \$300,000; Dr.

W. S. Woods, \$300,000; W. T. Kemper, \$260,000; Lee Clark, \$235,000; the Holmes family, \$233,000; G. M. Smith, \$228,000; J. W. Perry, \$225,000; Edward Morris, \$211,000; W. S. Dickey, \$200,000 and George B. Harrison, \$200,000. The highest priced bank stock in Kansas City is that of the Missouri Savings Bank. The capitalization is only \$50,000 but it has a market value of \$375,000. All but fifty of the bank's five hundred shares are owned by the Webb family.

Warning Against Poor Corn Seed

In order to spread the warning against poor corn seed, the Kansas City Clearing House Association is sending out thousands of bulletins to country banks in the Central West giving detailed instructions for testing seed. The country banks are requested to post the bulletins in public places and to help along the movement to improve seed stock. The bulletins were prepared for the crop improvement committee of the Council of American Grain Exchanges. It is pointed out that tested seed will increase crops and provide a better grade of corn while proving an educational factor in scientific farming. Efforts are being made in the Central West to interest school children in seed testing and the banks have taken the lead in this form of education. The move began in Nebraska, where the banks sent out thousands of bulletins and did a great deal of good in bettering corn conditions in that state.

Kansas City Bankers Club Meeting

The Kansas City Bankers Club celebrated its tenth meeting last week with a dinner in the main dining-room of the Kansas City Athletic Association. A burlesque and minstrel show furnished the fun of the evening in which local hits were merciless. The menu contained such items as these:

Boiled Shad and Roe (fish ketched by Brokaw, Jobes and Koehler).

Broiled Tenderloin Steak (bred by Jarboe, sired by Hovey and damned by the clearing house committee).

New Brown Potatoes (hoed by Prouty, Cooke-d by Sidney, Thornton and Robert M).

Asparagus Salad Vinaigrette (tips by Perry, vinegar by Holmes).

Neapolitan Ice Cream (frozen by Kemper).

"C Dogsong Hutcheson" introduced a device called the Brad and Dunstreet's Counterfeit Detector and Note Tester, which was put to amusing use. One note signed three years ago by W. H. Taft and indorsed by Theodore Roosevelt was presented to be renewed for four years. It was found that T. Roosevelt had refused to renew the indorse-

ment and E. F. Swinney's name had been scratched so that there was doubt as to whether the note was "good" or not.

Secretary Hoopes of Texas in Kansas City

J. W. Hoopes, secretary of the Texas Bankers Association, spent several days in Chicago last week in attendance upon the meeting of the state secretaries section of the American Bankers Association, of which he is president. Before leaving he gave out part of the program of the Texas Bankers convention at San Antonio, May 7th to 9th. Some interesting papers will be read, among which will be one by William J. Burns, the noted detective, who will discuss some phases of his work in connection with bank criminals. C. A. Sanford, vice-president of the Commercial State Bank of Sherman, will talk of "Conscience in Banking"; Dr. E. S. Meade, of the University of Pennsylvania, will discuss the subject, "Would the National Reserve Association Result in the Creation of a Public Discount Market?" J. A. Pondron, vice-president of the Texarkana National Bank, Texarkana, will talk about "The Overdraft: Can it be Eliminated?" James E. Ferguson, president of the Temple State Bank, Temple, will read a paper on "Why the Aldrich Bill Should not Pass"; McLane Tilton, Jr., secretary of the Alabama Bankers Association, will speak on "Crimes Against Cotton" and Raymond Cox, of the Fourth National Bank, New York City, will discuss "The American Institute of Banking."

Texas Banks

A very general decrease in loans and discounts and a substantial increase in individual deposits for February 20th, as compared with the state of business on December 5, 1911, is shown by the statements of thirty-two national banks in the six reserve cities of Texas as compiled in Washington. These six cities are Dallas, Fort Worth, Galveston, Houston, San Antonio and Waco.

Central West Notes

H. C. Nicholson of Omaha, state bank examiner of Nebraska, has been appointed United States bank examiner. This is the position that was offered to E. E. Emmett, another state bank examiner, who declined it. Mr. Nicholson has not yet signified his acceptance.

Using tools obtained from a nearby railway station, robbers dug their way through a brick wall to the safe of the Farmers Bank at Lambert, Okla., the night of March 15th and secured \$3,500 in currency. Wires leading into town were cut by the burglars, who

R. T. FORBES - President
J. E. COMBS - Cashier
R. S. BRITTAIN, Asst. Cashier
R. N. RIDGE - Auditor

THE FIRST NATIONAL BANK

Of Buchanan County

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Largest Capitalized Bank in the State outside of Kansas City and Saint Louis

CAPITAL \$500,000
SURPLUS 300,000
ASSETS 6,500,000
 We solicit your business and
 offer you exceptional facilities.
 Correspondence invited

made their escape without arousing the citizens of the town. Lambert is not far from Enid, Okla.

George I. Wilber, president of the Wilber National of Oneonta, N. Y., with a number of other eastern bankers has been making a visit in the Central West inspecting properties in which they are interested.

The Texico National of Texico, N. M., just across the line from Farwell, Texas, has gone into liquidation and the president, Alex Shipley, and Cashier John T. Shipley have purchased a controlling interest in the Clovis National of Clovis, N. M.

President W. B. Harrison of the State National of Fort Worth, Texas, has announced that his institution will add a new skyscraper to the Fort Worth skyline within the next few months. The State National will erect a building twelve stories high at the corner of Main and Fourth streets. It is expected that the Chamber of Commerce, the Mercantile Club and other civic organizations will be housed in the new building. The State National of Fort Worth was organized by Colonel William M. Harrison in 1885.

The National Exchange Fire Insurance Company has been organized at Waco, Texas, with a capital of \$1,000,000 fully paid. The following officers have been elected: C. A. Weathered, president; Sam Sanger, J. H. Lockwood, James B. Baker, Waco; R. E. L. Upchurch, Bédias; B. P. Moore, Bay City, vice-presidents; Nat S. Smith, secretary; W. H. McCullough, treasurer; Allan D. Sanford, general counsel.

The First National and the First State of Moody, Texas, have consolidated. The charter of the First State will be surrendered and the business continued under the name of the First National.

The T. A. Hill State of Weimar, Texas, has been organized with a capital of \$40,000, using the bond system of guaranteeing deposits.

It is reported that three men have been arrested at Sapulpa, Okla., for blowing the safe of the bank at Kiefer, Okla., two weeks ago and that they have confessed. They secured \$6,500.

E. McGiverin, president of the Nebraska State Bankers Association, spent several days in Chicago, recently, where he attended a meeting of the officers of the banking associations of the middle western states. The meeting was called to discuss means of securing more severe punishment for bank robbers, check forgers and other swindlers of banks throughout the country.

F. M. Murchison, now connected with the Rio Grande Valley Bank and Trust Company of El Paso, Texas, is organizing a new bank with a capitalization of \$100,000 which will open for business in that city June 1st.

Fred R. Cuscaden, former cashier of the Ericson State Bank, Ericson, Neb., has moved to Omaha, where he will have charge of the mortgage department of Burns, Brinker & Co., located in the Omaha National Bank Building.

State Bank Commissioner Swanger has issued a charter for the Citizens Bank of Ed-

gerton, Platte county, Mo. It will have a capital of \$25,000. The directors are P. S. Newman, F. M. Denny, W. T. Wanzey, W. T. Elliott and Edward Thatcher.

A young man giving his name as H. O. Watson is in jail at Colorado Springs, Colo. in default of a fine of \$200. He says his father is H. D. Watson, a very wealthy man of Kearney, Neb., with financial headquarters at the First National Bank of Chicago.

M. C. Mason, cashier of the Alva State Bank, Alva, Okla., spent several days visiting the Wichita, Kan., banks last week.

Ward D. Speelman, defaulting teller of the Merchants National of Topeka, Kan., has been removed from jail to a hospital in that city, where he is being treated for the effects of poison. While in jail Speelman was given an ounce bottle of atropine, a few drops of which should be used daily on one of his eyes, which had been giving him trouble. He also was instructed to take a teaspoonful of another medicine at regular intervals. He took a large dose of atropine, which he claims he mistook for his internal medicine. He will recover.

Judge Rankin Mason, former counsel for the Central Bank and Trust Company of Ft. Smith,

BANK OF MONTPELIER, MONTPELIER, IDAHO

Among the flourishing and enterprising western banks is the Bank of Montpelier, Montpelier, Idaho. Located in the southeastern part of the state, for many years after its incorporation in 1891 this institution was the only bank within a territory of one hundred miles. Because of the steady growth of the community during the last few years, other banks have been organized with which it has had to compete, but only with the result that business has more than doubled. Under the efficient and aggressive management of its president, G. C. Gray, and cashier, Richard Groo, the Bank of Montpelier has a high financial standing and is a member both of the national and state bankers' associations. It has a capital of \$20,000 with resources of \$278,000.



BANK OF MONTPELIER,
Montpelier, Idaho

Ark., which failed last December, has been arrested on an indictment returned by the grand jury charging him with swearing falsely as to the amount of capital paid up at the time that the bank was incorporated. Judge Mason formerly was assistant United States district attorney at Topeka, Kan. E. D. Martin of Kansas City, former cashier of the same institution, was also arrested.

The entire issue of \$350,000 of Oklahoma City bonds, recently authorized, has been sold to M. L. Turner, president of the Western National Bank of that city for \$352,660.

The Farmers State Bank of Hominy, Okla., has been organized with a capital stock of \$15,000. The incorporators are J. E. Martin, J. N. Stoutmore, Quay V. Johnson and W. C. Price of Hominy and W. M. Sloan of Pawhuska, Okla.

The Wallis State Bank of Wallis, Tex., has filed an amendment increasing its capital stock from \$10,000 to \$20,000.

After several days of spirited bidding, the Tarrant County (Tex.) bond issue of \$1,600,000 was sold at Fort Worth, Texas, March 15th, to Bolger, Mosser & Willman of Chicago, for a premium of \$44,950, and accrued interest from the dates the bonds are issued until their delivery. The keenest rival in the bidding was Halsey & Co., of Chicago.

The following reserve agents for state banks in Texas have been approved by the department of insurance and banking: For the First State, Mount Pleasant, the Mechanics Trust and Savings Bank of Dallas; for the San Benito Bank and Trust Company, San Benito, and the Crockett State of Crockett, the South Texas Commercial National Bank of Houston; for the Farmers State, Shiner, the First National, Houston; for the Farmers and Merchants State Bank and Trust Company of Sweetwater, the Texas Bank and Trust Company of Galveston; for the First State, Tomball, the South Texas Commercial National of Houston; for the Citizens State at Bullard, the Mechanics and Metals National, New York City; for the Guaranty State Bank, Soucette, the First National of Houston; for the First State, Grand Prairie, the Mechanics and Metals National, New York City; for the First State Bank and Trust Company, Hereford, the National Stockyards National, National Stock Yards, Ill.; for the Farmers and Merchants State Bank and Trust Company at Sweetwater, the Western National, Fort Worth.

A NEW BANK FOR MISSOURI

Springfield, Mo., March 20.—The organization of the sixteenth bank in Springfield was announced to-day by T. J. Sullivan, formerly of Kiefer, Okla., who probably will head the new institution. The concern will be a state bank, with \$50,000 capital, and will be the fifth new banking institution within the past twelve months.

Grandview, Wash.—William Crossley, private banker, has opened for business. W. W. Butler is the cashier.

Seaside, Ore.—Pacific State Bank is the title of a new bank here. Wm. Dresser, P. Lawler and R. Cheney are interested.

THE surest indication of a bank's stability is the steady growth of its surplus. The following table shows the increase in the Surplus and Undivided Profits, during the past ten years, of

The Security National Bank Of Minneapolis

1902 - \$160,000	1907 - \$ 799,000
1903 - 242,000	1908 - 1,052,000
1904 - 371,000	1909 - 1,158,000
1905 - 522,000	1910 - 1,438,000
1906 - 698,000	1911 - 1,773,000
1912 - \$2,079,270	

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Resources of 741 Minnesota state banks at the last call were \$14,585,326 more than last year, or \$138,549,995. A year ago there were 696 banks. Increase in liabilities is \$17,290,563. The decrease in overdraft amounts to \$296,714. The overdraft a year ago was \$692,118. The total capital was more than \$14,000,000; last year \$13,428,000. Loans and discounts were \$104,267,609 as compared with \$95,518,000 a year ago. Savings departments have a total of \$5,771,395. Signs of prosperity enumerated by the Minneapolis Journal are: Lightest general stocks of merchandise in two years; abundant moisture and good crop prospects; money plentiful at low rate; immigration starting heavy; railroad improvements and extension more than two years ago; less disposition to politics; general confidence that a good crop year is imminent.

Eugene M. Stevens

Eugene M. Stevens, Stevens, Chapman & Co., has been notified by G. B. Caldwell, vice-president of the Continental and Commercial Trust and Savings Bank of Chicago, as member of a committee of seventeen to meet in that city March 29th to discuss formation of an organization of investment bankers as a section of the A. B. A.

Bankers Aroused by Newspaper Story

General suspicion of the character of the news they are served in the daily papers is aroused in the minds of La Crosse bankers due to the alleged finding by an official of the city that \$57,000 municipal money was lying in the banks, all unknown to anybody, except the bankers. They are aroused by the story reprinted in various periodicals in good faith. One of the bankers believes the matter of enough importance to come back. He writes:

"These are the facts: Many years ago a sinking fund was established here and taxes assessed to take up specified issues of bonds. This money is invested in bonds and on de-

posit in the banks at interest, and during this period \$57,000 has been accumulated in interest on the sinking fund investments, and the city officials knew they had it all the time.

"Prior to the establishment of the sinking fund there were bonds issued without a sinking fund provision, and as the sinking fund assessments will be sufficient to take up the bonds issued since that fund was established, it occurred to our efficient comptroller that he could use the \$57,000 accumulated interest to pay the bonds maturing that did not have a sinking fund provision."

Collection of Weapons on Display

T. M. George, vice-president of the Kittson County State Bank, Hallock, Minn., has a tremendous aggregation of weapons which he has taken from his home to Minneapolis and is arranging for view in the Palace building. There are some 200 different articles.

Attend Meeting in Aberdeen

Bankers turned out in numbers for the trade extension committee's trip to Aberdeen last Wednesday under the auspices of the Minneapolis Civic and Commerce Association. It was a South Dakota state builders' convention that attracted the business men at this time. Among those in the party were: R. E. MacGregor, Northwestern National; H. A. Willoughby, First National; E. L. Mattson, Scandinavian American National; S. H. Bezoier, Security National.

Optimism at Northwestern National

Optimism still tinges the pages of the Northwestern National Bank Review. Its March number is so colored. Without regard to an approaching presidential election the circular continues bright in its outlook and review. In effect its view of the situation is as follows:

"The general financial situation is one in which we see no elements to cause uneasiness. There is an abundance of money at

reasonable rates for all legitimate demands, and large amounts have been loaned abroad by institutions in the United States which have taken advantage of the better rates prevailing in foreign centers. With large trade balances in Europe to our credit and the easy financial situation, business is running along in a sound and healthy condition, although it is scarcely to be expected that large operations will be forwarded with much vigor during the uncertainty which always, to a certain extent, occasions caution during the presidential year.

"In the Northwest, conditions are especially good, dealers reporting fair trade, and the prospects for a crop, so far as there is at this time a basis for opinion, are favorable, encouraging features being the rapidly growing sentiment for more thorough agricultural methods and the fact that through northwestern states the ground is full of frozen moisture to a good depth, owing to the very heavy rains which prevailed in the fall.

"Our bankers and other business men are proceeding with confidence, having had their faith in underlying conditions fully justified by the rapid recovery from the effects of the poor crop of 1910, the recuperative power of our territory being little short of marvelous."

L. S. Bristol Explains Duties of an Adjuster

L. S. Bristol, adjuster for the Northwestern Jobbers Credit Bureau, who is credited with the arrest in Baltimore of a Minnesota retailer who is believed to have gotten away with a lot of goods which promised to clear him several thousand dollars, gave the St. Paul Credit Men's Association inside information this week on the work to protect them against the crooked dealer. In reply to the remark that a commercial adjuster is nothing but a good bluffer, he said that an adjuster who is only a bluffer is never a good adjuster. There are as many retail merchants

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who can't be bluffed, he said, as there are who can be, and the bluffing adjuster comes back with a large expense account and nothing doing.

Of the duties of the adjuster Mr. Bristol said: "The adjuster must examine into and determine the business ability of the debtor, should satisfy himself if the investigation discloses solvency of the debtor, whether his financial embarrassment is only temporary, and his assets are of such a nature that a continuance of the business on the same principles eventually will result in the payment of all debts and leave a margin for the debtor."

Banking Miscellany

J. J. Lambrecht of Minneapolis is one of the incorporators of the Rosebud State Bank, S. D., which takes over the business of Lambrecht & Co., capital \$25,000.

Isaac Lincoln, president of the First State Savings of Aberdeen, S. D., was picked out in Minneapolis by several as Dick Croker, big chief. He was identified, however, by Vice-President J. A. Latta at the Northwestern National as Mr. Lincoln. As for the Aberdeen man, he says it is an old story. He has the family name of a great president and looks like Tammany. "When I was in New York last time," he says, "the strangest looking people stopped and shook hands with me and others bowed. I had to explain I was just a plain South Dakota banker."

Kirby T. Snyder, architect, 92 S. 7th st., is preparing plans for a 2-story and basement bank building for the First State Bank, at Paynesville, Minn. It will be 25x65, with concrete foundation, press brick front, terra cotta and stone trimming, common brick, plate, d. s. and prism glass, fireproofing, structural steel and iron work, reinforcing, two vaults, tile, Pama stonewood and cork floors, marble wainscoting, steel ceiling, tin roof, hot water heat, plumbing, wiring, quarter-sawn oak interior finish, etc. The second floor will be fitted up for offices and a public library. Plans will be out about April 15th.

GIVES "NEWSIES" \$2.50 EACH

Butte, Mont.—Edward Hickey, millionaire mining man, has announced he will place on deposit the sum of \$2.50 to the credit of every newsboy in Butte, and at the end of a year's time the boy having the biggest deposit will be given a prize of \$20, the second \$10 and the third \$5. No restriction whatever is placed upon the deposit, and the "newsies" may draw it out if they wish. Mr. Hickey is president of the State Savings Bank and is president of the Tuolumne Mining Company. There are nearly 400 newsboys in Butte. They are organized in what is called a county council, with a mayor and aldermen.

The Farmers and Merchants State Bank of Eagle Lake, Texas, has filed articles of dissolution.

Indiana

The filing of articles of incorporation for the West Side Trust Company, which will be done soon, will mark the incorporation of six banks and trust companies in Indianapolis in the last month and a half. Preparations are being made for early beginning of business of those which have not already opened, and one has already begun operations. Preparations are also under way for the seventh institution of this kind.

The West Side Trust Company will be capitalized at \$500,000, with \$150,000 stock placed for sale at once. The remainder will be held as treasury stock. The institution will be opened at 11-13-15 S. Senate avenue, and will be the only banking house in that part of the city. The officers of the company will be: President, Henry C. Brinker; first vice-president, Quirin Volz; second vice-president, George D. Hardin; cashier, Henry M. Campbell; treasurer, B. M. Boyd. The officers expect to begin business by April 1st.

The South Side Bank, a state bank, which will operate in a room to be selected near Meridian and Ray streets, has been incorporated with a capital stock of \$25,000. The stock has been subscribed for, but it has not been determined when the institution will be opened. The directors are Paul E. Taylor, Frank A. Pearson, William H. Zaiser, Paul C. Greene and Clinton B. Marshall. Mr. Pearson is to be president and Mr. Taylor, cashier.

At the office of the bank department in the office of the auditor of state, it was said preparations were being made for the incorporation of the Marion County State Bank, which will occupy the rooms recently vacated by the Security Trust Company, in East Market street. The capital stock will be \$25,000. The bank department was unable to say who would be the organizers or who was promoting the institution.

The Aetna Trust and Savings Company, capitalized at \$1,000,000, has recently begun operations in the former Union National Bank rooms in the Aetna building. The Citizens State Bank, the East Side State Bank, of Irvington, and the Irvington Bank, also of Irvington, complete the list of incorporated institutions formed within the last month and a half.

There were 541 deposits, aggregating \$12,142, at the postal savings banks at the Indianapolis postoffice in February. The withdrawals during the month were \$8,205, of which, however, \$3,320 was withdrawn for the purpose of investing in postal savings bonds. One hundred and ten new accounts were opened during the month. The number of accounts opened since the bank began business, September 9th, is 1,088. The number of deposits during that time until the close of business yesterday was 3,073. The total money deposited amounted to \$72,034, of which \$52,000 is now on hand.

Newcastle.—Thomas B. Millikan, well

known as a banker, and who served as state bank examiner, has been selected as cashier of the Citizens State Bank to succeed David W. Kinsey, who died recently. Milikan has been identified with the bank for nearly a quarter of a century.

OTTO J. KRAMPIKOWSKY ON ILLINOIS BANKING HISTORY

(Continued from page 19)

late in 1913, and will be the largest bank building in the world.

The value of such financial institutions as the Continental and Commercial National to Chicago and the West cannot be fully appreciated except by close observers of western development. Those who are gifted with a glimpse at the future are predicting marvelous business and financial achievements when the Panama Canal is opened and the deep waterway from the Lakes to the Gulf becomes a reality. Through these agencies the products of the farms and manufactories of the great Mississippi valley region will find a ready and profitable market in the Orient. The steel industry, tributary to Chicago, has just begun an era of important activity, and crowning all these great factors in western industry are financial institutions big and broad enough to meet monetary exigencies. At the head of these institutions stands the Continental and Commercial National Bank of Chicago, a splendid example of western enterprise.

BANKERS POINT TO WORK THEY HAVE DONE TO REFUTE CHARGES

Members of the Minnesota State Bankers Association are inclined to take exception to the remark made by Colonel Wilkinson recently before the Farmers' Co-operative Marketing convention. Mr. Wilkinson declared that, among other interests, the bankers have been trying to educate the farmers downward.

"Colonel Wilkinson's idea is all wrong," says J. W. Wheeler, chairman of the agricultural and educational committee of the state bankers association. "The bankers are trying to improve conditions among farmers and it was through our efforts that the state began the founding of agricultural schools. The education of the farmer means much to the banks, and, while the farmer might charge us with selfish interest, he cannot charge us with trying to keep him from making progress."

FAILED BANK PAYS DIVIDEND

Salem, Ore.—Will Wright, superintendent of banks, has announced that the first dividend to be paid on the claims of the defunct Philomath State Bank, which closed its doors last October, will be 60 per cent, payable the latter part of this month. Wright has filed with the court at Corvallis a statement of claims of creditors amounting to \$54,695. There are still a few hundred dollars more of claims outstanding.

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Pacific Northwest Banking News

Spokane, March 19.—Traffic officials of transcontinental lines say in reports to the Spokane Chamber of Commerce, that the movement of homeseekers from eastern, central and southern points to the Northwest is larger than in previous years. The advance guard of colonists from Mississippi River points reached Spokane the week beginning March 11th., the prospective settlers going into farming districts in eastern Washington and Oregon and north and central Idaho. Reports from western Montana are that many will locate on lands this year. Business in general is more active than a year ago, and the lumber mills are preparing for a busy season. Many orders have been received for export and eastern trade. Mining development is progressing in the four northwestern states, and it is announced that the Inland Empire will add twelve mines to the list of shippers this year. Precipitations during the winter months have placed the land in excellent condition for spring work and orchardists are looking forward to large crops.

Bank Building to be Sold at Auction

Judge W. W. Woods in the district court at Wallace, Idaho, signed an order on March 9th for the sale at auction by L. C. Wilson, receiver, of the building occupied by the defunct State Bank of Commerce at Wallace on April 20th. The upset price is fixed at \$60,000. The structure is valued at \$90,000. The sale means a fourth dividend of from 15 to 20 per cent. The building is a three-story brick with concrete veneer, and has a 100-foot frontage and depth of 50 feet. The corner given over to the banking rooms is now occupied by the new Wallace National. The building was originally owned by H. F. Samuels and B. F. O'Neil, formerly president of the State Bank of Commerce.

Made Trustee of O'Neil Estate

Creditors of B. F. O'Neil, meeting for the first time since the former president of the defunct State Bank of Commerce was adjudged a bankrupt, elected Therett Towles of Wallace, Idaho, trustee of the estate on March 11th. Represented were the Carnegie Trust Company, with a claim of \$79,823; the National Bank of New York, claiming \$78,718, and the Bank of California, National Association, whose account is \$75,000. The State Bank of Commerce, which other creditors allege has been preferred, was not represented. The known assets of the former banker as listed in the creditors' petition are \$6,500. Shortly after the failure of the State Bank of Commerce, it is said, O'Neil stated that his assets totaled \$600,000, and his liabilities, \$300,000.

H. M. Boone Refused Pardon

H. M. Boone, former president, convicted of larceny by embezzlement in connection with the failure of the Palouse State Bank at Palouse, Wash., which closed its doors May 21, 1909, began his sentence of from one to ten years in the state penitentiary at Walla

Walla, March 11th. Governor Hay denied the petition for a pardon. In a letter to the authorities of Whitman county, Boone said among other things: "Anticipating that there may be an adverse decision regarding the petition for my pardon, I write to ask that you forward the commitment papers to Warden Reid, and I will at once start for Walla Walla."

Depositors Fully Paid

J. K. Edmiston, formerly president of a bank at Walla Walla, Wash., which failed in 1893, now engaged in irrigation enterprises in Egypt, has paid up in full the principal and interest to date to depositors whose funds he converted to his own use nineteen years ago, the disbursement being made through John Sharpenstein of Walla Walla. Edmiston was convicted after the bank failed, but became a fugitive after being sentenced. Afterward he forwarded funds to Mr. Sharpenstein to pay his creditors, and as the years went by he satisfied every claim, but, although, a short time ago, an absolute pardon was granted by Governor Hay, releasing all the necessity for further concealment, he kept his whereabouts

a secret. He is now living in a quiet little abode, giving his ability to his friends and his charity to the needy.

Spokane Chapter Banquet

Spokane Chapter of the American Institute of Banking will give a banquet in the Hall of the Doges on the evening of April 17th, when it is anticipated fully 150 members of the organization will participate. The menu and entertainment committee, which has had charge of the preparations to date, consists of W. J. Schiesl of the Spokane and Eastern Trust Company; A. S. Snow, with the Northwest Loan and Trust Company, and Thomas Kehon of the Bank of Montreal.

Made Directors of Tuberculosis Sanatorium

W. D. Vincent, cashier of the Old National Bank, and George F. Brooke, formerly president of the Fidelity National Bank, have been elected directors of the tuberculosis sanatorium to be managed by the Associated Charities of Spokane. A volunteer medical staff, approved by the Spokane County Medical Association, will serve until the needs of the institution require paid physicians.

Banking Notes

Stockholders of the Methow Valley Irrigation Company in north central Washington are organizing a company to open a bank at Methow, Wash. The bank will be opened in time to handle the company's business, when the options on the lands under the project are taken up in July.

Waterville Savings bank has taken over the State Bank at Douglas, Wash., and increased its capital to \$50,000, and its surplus to \$10,000.

Craft organizations in Spokane are planning to erect a labor temple costing \$100,000 in Spokane this year. The funds will be raised by a bond issue or subscriptions. Herman Ludke is chairman of the Spokane Labor Temple Association, which has charge of the arrangements.

Seattle

Vice-President J. W. Spangler, of the Seattle National Bank, addressed the Merchants Association of Spokane recently on the "Value of a Credit Man to the Success of a Business." Mr. Spangler is a director in the National Association of Credit Men, and these addresses are a part of the educational propaganda of the association. Mr. Spangler also addressed the Rotary Club, of Spokane.

Santa Fe, N. M.—The loss in the failure of the International Bank of Commerce will wipe out the entire capital stock of the bank and leave a balance of \$8,000 to be sustained by the depositors and creditors, according to a statement made by State Bank Examiner Johns.



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payment of either the principal
or interest on any bond
we have sold.

San Francisco

The monthly letter of the Anglo and London Paris National Bank says: "The rapid rise in the price of silver, which has occurred during the last few months, indicates that we are in the midst of one of those movements which have occurred almost periodically since the metal lost its place as a standard of value in the great commercial nations. The upward and downward swing of prices may cover a considerable period of time but within the main movement there are continuous minor fluctuations. The world's product of silver has increased from 63,313,014 fine ounces, which was the average annual output for the half decade beginning 1871, to 211,215,633 fine ounces in 1909. Production steadily increases although silver mining as a main industry, at least in the United States, virtually ceased a long time ago. This country, however, next to Mexico, is the largest producer of silver, owing to our great production of gold, copper and lead from whose ores silver is recovered as a by-product. Our output for 1910 was 57,137,900 fine ounces—the largest in our history—as against about 72,000,000 fine ounces in Mexico. The fluctuations in the price of silver do not follow such irregularities in production as occur, to which they seem to bear little relation. The use of silver in the arts of course varies with the general prosperity of the world, but in the long run increases with population and wealth.

"The facts seem to be that silver being so largely a by-product its annual output is but slightly affected by the probable demand for it, but rather by the output of other metals with which it is associated; that its use in the arts increases and decreases with the general prosperity of the world; that the quantity at any time in the market is never so large that its price cannot be decidedly affected by the locking up of a quantity quite possible for a strong combination to acquire; and that the main factor of uncertainty is the demand from the Far East for coining and hoarding.

"Such conditions are most favorable to speculation in silver, and there is nearly always, as there is now, a speculative situation resulting from control of large amounts of the metal by speculative interests so situated as to carry it at low interest charges. This situation is complicated by several factors of which the most important is the changing crop situation in India. The habit of hoarding silver is almost universal among the masses of the Indian people, and in a prosperous year they absorb great quantities of it, while in bad years the demand for that country is light."

The present situation is that the outlook being for a prosperous year in India, the speculative interests believe, or at least hope, that the Indian government will soon be compelled to purchase silver heavily for coinage, and that out of the political troubles in China, there will also develop a situation which will make a great demand for silver.

There is a good deal of concern by reason of

the very light rainfall to this date. Winter growing crops still look fairly well north of Sacramento, and no crops are believed to be in danger in the coast counties from Santa Cruz north. Nowhere else in the state is the ground moistened except near the surface, and there is very little snow in the Sierras to provide water for irrigation, power and mining. Our most favorable seasons are those in which the heaviest rainfall is in the spring and while our optimistic people will count on them as long as there is any chance of them, there is no doubt that the delay is operating to check business. To some extent this is offset by the certainty of the beginning, during this year, of the large expenditures incident to the exposition and the contemplated public improvements.

In the country at large the political situation is now the dominating factor in finance, and its influence is all for caution. The issues upon which the election will turn are not yet precisely formulated, but they are sure to be more directly concerned with finance than ever before in our history. Nevertheless, the steel and textile industries are very well employed, but at prices too near the cost line to be at all satisfactory. The railroads throughout the East have had a very hard winter. Our export trade continues large, but little improvement in domestic trade is expected until the elections indicate the disposition of the people.

BANKS SHOW DEPOSIT GAIN

An increase of over \$1,100,000 in deposits of the five Portland (Oregon) National banks since a year ago is shown by their statements at the close of business February 20th. The deposits of the First National, United States National, Lumbermens National, Merchants National and the Bank of California, National Association, at the close of business February 20th were \$34,239,653. On January 7, 1911, they were \$33,138,503, the net gain being \$1,101,150. This increase has been made

without the depreciation of the cash reserves, which have been maintained at exactly 40 per cent.

Loans and discounts have also made a gain of more than \$500,000 in the year. The total now is \$21,484,539, as against \$20,898,274.

There has been an increase of \$750,000 in the capitalization of the five banks, the Lumbermens National having doubled from \$500,000 to \$1,000,000 and the Merchants National from \$250,000 to \$500,000. The total capitalization of the five now is \$4,400,000.

WASHINGTON STATE BANKS

Olympia, Wash.—Twenty-one new state banks were authorized during the years, and, in addition, nine old banks increased their capital stock from an aggregate of \$210,000 to \$390,000. That the state banks were prosperous during 1911 is shown by the fact that their resources increased from \$104,424,514.05 to \$109,161,924.35. A feature of the banking situation of the state at large was the material increase in savings deposits. Savings deposits for the year show an increase from \$27,136,679.33 to \$28,045,691.45. King County's savings deposits increased from \$18,128,424.89 to \$18,367,654.48.

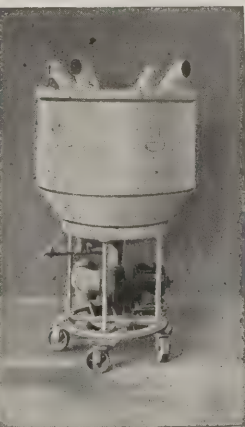
The capital stock of Seattle's banks increased \$400,000 during 1911, bringing the total amount of money invested in Seattle bank stocks up to \$7,665,000. The surplus and profits of Seattle's banks increased about \$359,000 during the year. The country banks are in much stronger position than they were a year ago. The state banks have cut down their bills payable from about \$1,600,000 to \$800,000 and have also cut the overdraft item in two.

GETS CONTROL OF CAPITAL BANK

Sacramento, Cal.—J. M. Henderson Jr., cashier and manager of the Sacramento Bank, has secured, through the purchase of stock of A. Bonnheim and George J. Bryte, a controlling interest in the Fort Sutter National Bank. Bonnheim and Bryte recently purchased this control from A. L. Darrow. The deal is supposed to have involved about \$100,000. The Fort Sutter National will be continued as a strictly commercial bank. Several changes will be made. H. W. Conger of the Sacramento Valley Trust Company will be cashier and Geo. S. Bullock of the Citizens Bank of Oak Park will be assistant cashier.

TEXAS BANK PLANS TO LIQUIDATE

The First State Bank of Kingsville, Texas, established in 1909, and having a capital of \$15,000 and deposits of \$42,800, will liquidate its affairs and reorganize itself into a private bank, with H. Allison for its president. A meeting of the stockholders has been called for the purpose of ratifying the plan outlined by the board of directors, and the state banking department has been petitioned to grant permission for the liquidation.



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portable air cooler and washer in
capacities from 200-2000 C. F. M.,
mounted on rubber shock wheels, and
of attractive appearance, to allow of
operation in the main banking room.

Apparatus shipped complete in-
cluding fan, motor (10-1.0 H. P.),
washing chamber and auxiliaries,
ready for operation, you to make
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Apparatus provided with outlet
nozzles to throw air in all directions,
thus eliminating duct work, etc.

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 H. A. GOOCH - Cashier
 O. D. PETTIT - Asst. Cashier
 FRITZ FRITZON, Asst. Cashier

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Assets, \$7,016,814.43

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Iowa Banking News

By W. C. JARNAGIN

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PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00

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An Up-to-Date, Conservative, Commercial and
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Largest Bank in Clinton
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The Cedar Rapids National Bank

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As a Private Bank, 1877 As a National Bank, 1887
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 KENT C. FERMAN, Cashier A. R. MOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Des Moines, March 20.—It has been many years since Iowa has seen a genuine old-fashioned "run on a bank," the procedure that used to drive terror into the hearts of the pioneer bankers. But the Peoples National at Albia had one last week. The institution weathered the storm nicely. However, there was considerable excitement throughout the town and surrounding country. Not long ago B. P. Castner, as president, sold out his interest and went West. J. S. Moon succeeded him. It appears that a miner appeared at the institution with a draft so large that the officers refused to honor it without more complete identification than he could give. This aroused the ire of the miner, who went to the mining camps there about, and started the report that the bank, under its new management, was about to fail. This started the excitement. The miners hastened to the city and began to swarm into the bank. The town people saw the crowds and the usual "run" was on. The other banks were prompt to come to the rescue and the demands of the depositors were met promptly. Within a few hours, the run had subsided and most of the money that had been withdrawn had been again deposited. Judge D. M. Anderson issued the following authorized statement: "The bank met all demands made upon it, and had more money at closing time than when the afternoon began. The bank was kept open until 7 p. m., two hours later than usual, in order to accommodate all its customers. Money was coming in all afternoon from other banks here, and in neighboring cities, and the bank was compelled to refuse some of the offers of aid received. The bank took advantage of the sixty-days' notice on certificates of time deposits in the savings departments but the other requests for withdrawals were promptly met."

Testing of Seed Corn

Reports received by P. W. Hall, secretary of the Iowa Bankers Association, indicate that the bankers of Iowa are alive to the question of seed corn testing. Secretary Hall recently sent out posters urging that all corn be tested, and he asked the bankers of the association to hang the posters prominently. This has been done in practically every case. In addition many banks are holding seed corn tests of their own.

Hogan Re-elected School Treasurer

Des Moines had a lively three-cornered fight for school treasurer, March 11th, and John Hogan, cashier of the German Savings, was re-elected by about 1,000 more votes than his closest competitor, Charles Worth. Mr. Worth was brought out as candidate not actively identified with any bank. W. E. Barrett, cashier of the Valley National, was the third member of the trio of candidates. Mr. Hogan has been receiving a salary of \$1,200 per year, at the same time having the disposal of almost a million dollars in school funds each year. A fight for retrenchment in school affairs in-

involved this salary. Mr. Barrett announced that he would serve without salary. Then Mr. Worth came out on a similar platform. Mr. Hogan issued a statement that he would serve without salary if the board should so decide. It was a close fight and although it was held the same day as the city primaries, this election attracted as much interest as any other proposition up for action upon that day.

Opponent for State Auditor

Some little surprise was occasioned in state house political circles when it became known that State Auditor Bleakly will have opposition. It seems that Frank S. Shaw, county auditor of Tama county, has been circulating petitions and getting ready to throw his hat into the ring. Mr. Bleakly is now serving his second term. He has been a careful and painstaking official, and it was thought that he would be conceded another term without serious opposition. There is a feeling in Des Moines that Mr. Shaw is only getting started for the office two years hence, and this is a sort of preliminary campaign to get his name before the voters.

Restaurant in Old Bank Building

The old First National building at Muscatine, one of the landmarks of that city, is to be made a grill room. Jacob A. Bond, a well-known restaurant man of that city, has secured the structure, and has already begun the remodeling necessary. It is a fine location and the building will make an ideal café if the plans for its rebuilding are carried out as planned.

Iowa National Banks

Deposits in the national banks of Iowa, exclusive of the reserve cities, have passed the \$100,000,000 mark. The report of the comptroller of the currency following the call issued for conditions on February 20th, has been issued. It shows splendid conditions in the Iowa national banks and shows that the amount due depositors in the institutions outside of the reserve cities has increased from \$97,860,287 to \$100,331,807. The abstract shows the average reserve held at 15.58 per cent as compared to the reserve of 15.93 on December 5th. Loans and discounts increased from \$97,707,777 to \$98,137,224. Gold coin shows a decrease from \$2,463,218 to \$2,370,767. Lawful money reserve shows an increase from \$6,830,430 to \$7,060,124.

Public Loan Bureau Organized

The new public loan bureau in which the Commercial Club of Des Moines is interested in the hopes of thereby combating the usurious money lenders has become a reality. The "Public Loan Bureau" is its title, and the stock for \$25,000 which it will sell is being snapped up in lively shape. At a meeting of the Greater Des Moines Committee, the stock was offered for sale and many blocks were taken. It is purposed to loan money at a

Pekin, N. D.—Charles Burseth has been elevated from the vice-presidency of the Bank of Pekin to the presidency, and T. J. Alstad has been elected vice-president.

reasonable rate of interest, possibly 1 to 2 per cent a month providing some arrangements can be made whereby the Iowa statutes will permit, such a rate. The demand for loans since the campaign against loan sharks began in Des Moines is indicative of a busy season, when once the bureau begins active operations.

Value of Checking Account

A checking account is of value even in Japan. Bert Hon of Harlan, Iowa, discovered that when, after two hours efforts, he cashed a check on the Shelby County State of Harlan at the Hiranuma Bank in Yokohama, December 18, 1911. The check returned to Harlan the other day. It had been sent to the Hong Kong and Shanghai banking corporations, thence to the National City in New York, and returned to the bank at Harlan via Omaha. The check was two months on the trip.

Farmers Savings, Edgewood

The Farmers Savings at Edgewood is the name of a new institution organized there with a capital stock of \$15,000. A meeting was held in the Woodmen hall at which prominent farmers thereabouts subscribed for stock. L. S. Fisher was chosen president; Anton Funk, vice-president; H. W. Putz, temporary cashier.

Iowa Girl Honored at Vassar

Miss Helen Winter of Mason City is getting her picture in the Iowa newspapers as one of the famous "daisy chain girls" at Vassar. Miss Winter is a daughter of George S. Winter, formerly cashier of the Commercial Savings at Mason City, well known in Iowa financial circles.

Banking Notes

The Des Moines Trust Company has purchased what is known as the "Farwell Trust," in Des Moines from A. C. Miller of the Home Savings, Des Moines, and Jansen Haines. The consideration was over \$100,000. The trust company will divide the tract into 470 city lots and place them on the market.

The new Farmers Savings at Barnes City has elected these officers: President, J. J. Doonan; vice-president, A. C. McGill; cashier, M. D. Taylor; assistant cashier, C. W. Taylor.

M. C. Terry and Robert McClintic have sold their interest in the State at Brighton to J. Z. Lemly and Keck Bros., of Washington.

Webster City is quite pleased because for the first time it is able to produce a bank with assets of over a million. The First National of that city in its last report shows assets of \$1,034,121.18 and deposits of \$754,693.86. This is indeed a good showing. It is asserted that another Webster City bank is making rapid progress, and will be able to pass the million dollar mark before the end of the year.

Postal Savings banks will be established April 9th at Audubon, Castana, Correctionville, Dyersville, Edgewood, Elliott, Graettinger, Hamburg, Lone Tree, North English, Springville, Strawberry Point and Wyoming.

The new bank building at Algona is getting under way. The tenants of the building are now moving out and the work of destruction preparatory to the erection of a new building will follow at once.

The Citizens of Dolliver has changed its name to the Farmers Savings. The officers are E. M. Evans, president; J. A. Byer, vice-president; B. L. Clark, cashier.

The Farmers Savings at Troy Mills has elected Walter Stauffer as cashier.

Among out of the city bankers, who have been in Des Moines recently, were Cashier J. H. McCord, Citizens National, Spencer; Cash-

ier George Schaller, Citizens National, Storm Lake; Cashier J. V. Wright, First National, Blockton; Cashier E. L. Stickney, First National, Moulton; Cashier N. C. Olmstead, State Bank of Woolstock; Cashier J. E. Anderson, Peoples of Hardy; President C. W. Bapp, First National, Hawkeye; Vice-President W. G. Lackey, Missouri Valley Trust Company.

There were wild rumors in Des Moines that A. C. Miller, president of the Home Savings of Des Moines, had been injured in a wreck near Waterloo one day last week. There was an A. C. Miller injured, and his address was given as Des Moines, but it proved to be a namesake of the well-known financier.

President E. J. Curtin and Secretary P. W. Hall of the I. B. A. were at Omaha last week on business. From there Mr. Hall went to Chicago to attend the meeting of the secretaries of the various states in the Middle West.

Milo B. Westerveldt, cashier of the Farmers and Merchants Bank at Churdan, died last week of a spinal complaint from which he had long been a sufferer. The deceased banker had been cashier of the bank for twelve years, and was well known.

Bank clearings for the week ending March 16th showed an increase of \$608,702 over the clearings for the corresponding week last year in Des Moines.

J. E. Switzer, cashier of the Citizens Trust and Savings at Iowa City for sixteen years, has resigned, and it is probable that George E. Grier, former bank examiner, will succeed him. Grier has resigned from his bank connections at Deep River.

BANKERS TRUST BUILDING

Recent merger of the Bankers and Manhattan Trust companies, under the name of the former, has necessitated some changes and remodeling in the construction of the new skyscraper at Wall and Nassau streets. The original plans provided that the Manhattan Trust Co., which was to have occupied the southern portion of the building on the first floor, would have an entrance facing Wall Street, while the Bankers Trust was to have its entrance on Nassau Street. Workmen are now busily engaged in doing away with the entrance that was to have been used for the Manhattan Trust and in its place will build a window, thus having the Nassau Street entrance the only one for the banking quarters. Entrance to the offices, however, will be on Wall Street, as per original plans.

\$200,000 BANK FOR BROOKLYN

A new national bank is being organized in Brooklyn, New York, with a capital of \$200,000, divided into 2,000 shares of \$100 each. It will be strictly a local institution and will be known as the Fulton National. The chief promoter is A. Howard Watson, who for a number of years has been cashier of the Hungarian-American Bank, which is now being merged with the newly organized Transatlantic Trust Company.

DIVIDEND OF 80 PER CENT

A dividend of 80% has been paid to depositors and creditors of Sea Cliff Bank, of Sea Cliff, L. I., an institution closed by Geo. C. Van Tuyl, Jr., superintendent of banks, New York, on November 23rd, last. This is the largest first dividend that has ever been paid to depositors of a closed institution.

Bradley Junction, Fla.—A bank under firm name of J. O. Widden & Co., will open here.

TO GUARANTEE DEPOSITS

The guaranty of bank deposits through an incorporation organized for that purpose is the plan of the American Bankers Security Company, which has established offices in Indianapolis, to operate in Indiana and other states. The purpose of the organization, its officials set out, is to meet the demands for some guaranty of money deposited in banks, such demands as have been presented to numerous general assemblies in recent years and backed by political leaders.

In establishing its guaranty to the depositors of any bank, the company will make an executive audit of the bank's affairs, thus assuring to the depositors and stockholders an examination which, the officials of the company say, will be more extensive and better than the examinations now made by the national and state bank examiners. In support of its plan of operation, the company points out that a guaranty of deposits by the bankers of Muncie, in 1893, probably the first instance of the bank guaranty, prevented runs and consequent failures of Muncie banks during the panic of that year.

W. C. B. Harrison, formerly a member of the general assembly and assistant attorney-general under Charles W. Miller and later chief insurance examiner of North Dakota, is president of the company. The vice-president is W. W. Layton, president of the First National Bank and the Fountain Trust Company, of Covington. F. L. Murray, of this city, is secretary. Dr. H. N. McKee, of this city, treasurer, and George D. Winnie, also of this city, is sales manager. Mr. Harrison said he believed the guaranty proposed by the company, when applied generally to banks, would call millions of dollars from secret hiding places in the state.

BILL PERMITTING HOLDING OF STOCK

Among the many banking bills that have recently been introduced in the New York State Legislature the one proposed by Senator Newcomb has attracted considerable attention and favorable comment. This bill calls for the amendment of the existing banking law in such manner as to confer upon banks of discount the power to purchase and hold stock in safe deposit companies, provided permission is obtained from the banking superintendent.

At the present time a trust company may own stock in a safe deposit company, but a state bank has not that privilege. Many of the trust companies use the basements of their buildings for the operation of a safe deposit business, and they usually own a large portion of the capital stock in the safe deposit corporation so located. The business of deposit companies is profitable, and should Senator Newcomb's bill be enacted into law a number of officials and directors of state banks will undoubtedly organize safe deposit companies.

Walter E. Frew, president of the Corn Exchange Bank, New York City—the largest state bank—is in favor of the passage of Mr. Newcomb's bill. Other bankers have likewise expressed approval of the measure.

PLEASED WITH BANK BILL

Bankers throughout Kentucky are highly pleased that after several years of persistent effort the state is to have a comprehensive system of banking legislation. Gov. McCreary has approved the bill creating the state department of banking. It confers upon the governor the authority to appoint a bank commissioner, a deputy commissioner and three bank examiners.

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

CHICAGO CHAPTER, A. I. B.

By R. M. COLEMAN.

General meeting, Chicago Chapter, will be held in the assembly hall, Northwestern University building, Tuesday, March 26th. This meeting will be addressed by Judge Joseph H. Fitch. His speech will be confined to special assessments, which should be very interesting to everyone, and more especially the property owners present.

Tuesday, March 19th, was debate society night. During the early part of the evening Prof. Kline drilled his class in parliamentary law, while the remainder of the evening was spent in open discussion on current events and topics of interest to the present-day reader.

The class in negotiable instruments conducted under the direction of James I. Ennis, meets every Tuesday evening. During the class meetings many concrete cases are explained by Mr. Ennis, which minimizes the many misinterpretations of the complicated forms of the negotiable instrument laws.

PITTSBURGH CHAPTER, A. I. B.

The inter-city debate between Pittsburgh and Cincinnati chapters at Pittsburgh's headquarters last Tuesday night was, without doubt, a grand success. The largest crowd ever assembled at such a meeting was on hand early, and enthusiasm ran high. Extra chairs had been supplied early in the day and all were needed, and many stood. The appearance of the Cincinnati boys was the signal for great applause and Pittsburgh's team following a minute later caused renewed cheering. Both sides were well applauded on presenting striking arguments, and in justice to both it can be truly said they fought fairly and with great credit to their respective chapters.

Geo. E. Allen acted as chairman. The timers were L. J. Kaufman, president Cleveland Chapter, and O. Howard Wolf, secretary clearing house section, A. B. A., New York City. The judges were Raymond B. Cox, president A. I. B., New York City; Harrison Nesbit, president Bank of Pittsburgh, N. A.; and Dr. H. W. Temple, Washington and Jefferson College.

The question was:

"Resolved, That transit items should be collected through clearing houses rather than by individual arrangement between banks."

Pittsburgh Chapter, representing the affirmative, was awarded the verdict.

This debate set a grand example for other chapters to follow, and certainly further cemented the existing friendship between these two chapters. About fifteen of Pittsburgh's leading financiers were present in the audience and most of them made a few remarks. Cincinnati Chapter certainly handled their subject in great style, and deserve greater credit than is shown by the award, as this was their first debate.

The affirmative contended that the advantages of clearing house collection are:

1. The depositor receives better and quicker service in the reduction of items to available funds.

2. The country banker saves in postage, stationery, and clerk hire.

3. The city banker saves in postage, stationery, and clerk hire, and is relieved of the present injustice inflicted by the high exchange charges of the country banker.

4. The commerce of the country will thus be relieved of an embargo or unjust tax, which is now borne by the ultimate consumer.

SOME RECENT PROMOTIONS OF INSTITUTE MEMBERS

E. V. Bacharach was elected vice-president of the Mid-City Trust and Savings Bank at a meeting of the board of directors. Mr. Bacharach has been connected with the Corn Exchange National Bank for twenty-four years. His is a familiar figure around local meetings of the American Institute of Banking.

John Williams was elected treasurer of the Broadway Trust Company, New York. Mr. Williams is a charter member of Chicago Chapter, and while connected with the First National Bank was an active worker in the up-building and advancement of the American Institute of Banking.

R. F. Newhall and C. R. McKay, recently promoted to official positions in the First National Bank, are active members of Chicago Chapter, American Institute of Banking.

J. Howard Arthur, formerly president of Pittsburgh Chapter, has been elected assistant cashier of the Peoples National Bank of Pittsburgh.

Newton D. Alling was elected vice-president of the National Nassau Bank of New York, being promoted from assistant cashier. Mr. Alling is well known in Institute circles, is a "regular" at the annual conventions, and has been prominently identified with the work of that body since its inception.

Raymond B. Cox, president of the American Institute of Banking, has been taken to New York by "Father" Cannon and placed at the head of the transit department of the Fourth National Bank.

BYRON W. MOSER FOR PRESIDENT

The St. Louis Chapter has announced Byron W. Moser as a candidate for the office of president of the institute. Mr. Moser is an institute graduate, and a former president of the St. Louis Chapter. He holds a responsible position with the St. Louis Union Trust Company, and is a man who has proven his worth in institute affairs.—Southern Banker.

BANKERS HOLD OPEN MEETING

Prof. A. R. Hatton, of Western Reserve University, talked to the members of Cleveland Chapter, American Institute of Banking, on Tuesday evening of last week on the subject, "Responsible Government." Roscoe P. Sears, auditor of the Cleveland National Bank, discussed the progress of the numbering system adopted by the clearing house section of the American Bankers Association. During the meeting, which was open to the public, and was held in the Rose building, headquarters of the chapter, a number of selections were sung by a quartet, composed of T. J. McDonough, Charles A. Hyde, George W. Smith, and Frederick A. Irvine.

BANKING INSTITUTE TO HAVE NEW RULES

As a basis for discussion and such further amendment as members of the American Institute of Banking may determine, a majority of the committee on constitutional revision, consisting of Messrs. Pierce, Cox, Owens, Evans, Rosendale and Crandall, have reported the following amended form of constitution:

Proposed Amended Constitution

Resolved, That the constitution of the American Institute of Banking section of the American Bankers Association be and hereby is amended so as to read as follows, to become effective when approved by the American Bankers Association:

Article I. The American Institute of Banking section of the American Bankers Association shall be devoted to (1) the education of bankers in the theory and practice of banking, and such principles of law and economics as pertain to the banking business; (2) the establishment and maintenance of a recognized standard of banking education by means of official examinations and the issuance of certificates of graduation.

Article II. Members of the Institute shall consist of duly authorized chapters whose individual members shall subscribe for the official publication of the Institute through their respective chapter treasurers at the rate of 75 cents a year. Fellows of the Institute shall consist of Fellows already constituted and such Institute graduates, not exceeding fifty annually, as may be elected by the Institute executive council. Fellows shall pay to the Institute annual dues of \$2.

Article III. Associate members of the Institute shall consist of institutions that are members of the American Bankers Association. For each associate member of the Institute thus constituted the Institute will accept from the American Bankers Association annual dues of 75 cents, payable in monthly installments.

Article IV. The Institute shall hold an annual convention at such time and place as may from year to year be determined, in which convention each chapter shall be represented by delegates on the basis of one delegate for each twenty-five members or fraction thereof and one delegate-at-large, computed in accordance with the records of chapter membership in the general office of the Institute thirty days before such annual convention.

Article V. A president, vice-president, secretary and treasurer of the Institute shall be elected annually by the Institute in convention from chapter members, and no incumbent of any of such offices shall be eligible to consecutive re-election to the same office. Officers of the Institute thus elected shall serve for respective terms of one year or until their successors are elected and qualified.

Article VI. The government of the Institute shall be vested in an executive council of fifteen members consisting of (1) the ex-president, president and vice-president of the Institute, ex-officio; (2) six members of the executive council elected by the Institute in convention from chapter members who are not bank officers at the time of their election, so arranged that two may be elected annually

for three years; (3) six members of the executive council elected by the Fellows from Fellows, so arranged that two may be elected annually for three years.

Article VII. The executive council shall meet in annual session on the day before the annual convention of the Institute. The executive council shall also meet immediately upon adjournment of the annual convention of the Institute and from members thereof other than the president and vice-president elect a chairman and vice-chairman qualified to represent the Institute in the executive council of the American Bankers Association. At other times the executive council may transact business by mail. The executive council shall appoint an educational director and other employees as required, to serve during its pleasure.

Article VIII. Subject to the approval of the American Bankers Association, this constitution may be amended at any annual convention by a two-thirds vote, provided that notice thereof shall have been submitted to the secretary of the Institute at least thirty days before the annual convention, published in the official publication of the Institute and submitted to the executive council of the Institute for report to the convention.

OAKLAND BANKERS BANQUET

The Oakland (Cal.) Chapter of the American Institute of Banking held its third annual banquet in a local café recently. Mayor Mott, Joseph M. Cumming, assistant secretary of the Panama-Pacific International Exposition, and Press Woodruff discussed phases of California's development. Over seventy-five guests were in attendance, including representatives from financial institutions of the bay cities. Golden L. Downing, president of the Oakland Chapter, acted as toastmaster. Musical numbers were contributed by Frank J. White and Theo. Jenkins, while Milton Schwartz and Colman Schwartz gave monologues.

TENNESSEE CHAPTERS DEBATE

The third annual debate between the Nashville and Chattanooga chapters was held in Chattanooga, February 22d, with the last-named chapter proving winner.

THE PRINCIPLES OF BANKING

H. R. Eldridge, vice-president of the First National Bank of Houston, lectured to the class of banking and finance at the Y. M. C. A. recently. This was the last of a series of lectures to the young bank men of the city, which as a class, has been under the direction of Oscar Wells of the Union National Bank since last fall.

The subject of the lecture by Mr. Eldridge was "Principles of Banking." Three-quarters of an hour was used by the speaker in comparing our own monetary system with that of England. It was shown how England could and did have times of depression under her banking system, but has not been subject to the pounces that have ever so often come to this country.

The Aldrich monetary plan was touched on. The Vreeland bill was discussed and shown to be inadequate, and the probability of better legislation along lines aimed at by that bill be enacted before it becomes void in 1914, was pointed out. The entire lecture of Mr. Eldridge was highly praised by those in attendance.

The class was photographed during the evening and Oscar Wells was presented with a handsome silk umbrella as a small token of appreciation for his untiring efforts in its behalf.

TRADE BETWEEN THE UNITED STATES AND MEXICO

Trade of the United States with Mexico is showing the effect of the disturbed business conditions in that country. This is especially true with reference to exports, which show a much greater decline than imports. Exports to Mexico during the last year show a fall of about 20 per cent compared with the immediately preceding year, while imports show also a slight decline but less than that of exports. The total value of exports to Mexico during the twelve months ending with January, 1912, the latest figures of the bureau of statistics, Department of Commerce and Labor, is \$52,271,987, against \$64,671,659 in the corresponding months of the immediately preceding year, a decline of about twelve million dollars, or an average falling off of a little more than a million dollars a month during this period. Imports from Mexico during the same period amounted to \$59,227,516, against \$59,881,800 during the corresponding period of the preceding year, being less than one million dollars decrease.

This falling off of twelve million dollars in the exports to Mexico in the twelve months ending with January, 1912, becomes even more apparent when contrasted with our trade with other parts of the world. Exports to South America, for example, show an increase of 25 per cent in the seven months ending with January, 1912, when compared with the corresponding months of the preceding year; those to Cuba and the other West Indies, a slight increase; while to Mexico, the exports during the seven months ending with January, 1912, decreased nearly 25 per cent, and during the year, as indicated above, about 20 per cent. In every month since April, 1911, the value of merchandise exported to Mexico has been less than that of the corresponding month of the preceding year. April, 1911, having been in fact the only one of the past twelve months which did not show a decline in exports to Mexico when compared with the corresponding month of the preceding year.

The falling off in exports to Mexico, as above outlined, is evidently a mere part of the general reduction in her imports, a reduction in which the United States participates to a somewhat less degree than do other countries. An examination of the latest official publications of the Mexican Government received at the Bureau of Statistics, shows a falling off of about 10 per cent in her exports from the United States, and approximately 17 per cent in her imports from all other countries, during the six months ending with December, 1911. Her exports to the United States in the same period showed a decline of about 3 per cent, while those to other countries showed an increase of about 8 per cent. The share of Mexico's imports which were drawn from the United States in the six months ending with December, 1911, was in round terms, 55 per cent, and the share of her exports to the United States, about 77 per cent. In the fiscal year 1909-10, the share of her imports drawn from the United States was, in round terms, 58 per cent, and of her exports sent to the United States, 76 per cent.

NEW \$700,000 TRUST COMPANY

Albany, New York.—The Transatlantic Trust Company, of New York city, with a capital of \$700,000 and paid-in surplus of \$350,000, has filed a certificate of incorporation. The incorporators include representatives of two leading banks of Budapest, Hungary, and a number of prominent New York financiers. They are: H. Reiman Duval, president of the Beet Sugar Company; James G. Cannon, president of the Fourth National Bank; John W. Platten, president, and Cal-

vert Brewer, vice-president of the United States Mortgage and Trust Company; Richard Schuster, of Speyer & Co.; Stuyvesant Fish and Walter Lutton, of August Belmont & Co.; Henry H. Wehrhane, of Hallgarten & Co.; Clark Williams, president of the Windsor Trust Company; Walter G. Oakman, Dr. A. G. Gustave Leye, Arnold Somlyo and Morris Cukor, of New York. It is said that the company will organize about May 1st.

NATIONAL BANK OF CUBA

The Banco Nacional de Cuba (National Bank of Cuba) has issued its report for the twelve months ended December 30, 1911. It shows cash in vaults (United States currency) amounting to \$6,045,338; due from banks and bankers, \$3,243,746; remittance in transit, \$1,293,785; bonds and stocks, \$2,809,536; loans and discounts, time bills, etc., \$17,717,735; capital stock, \$5,000,000; surplus, \$1,100,000; deposits, \$23,523,206 and total assets and liabilities of \$36,351,519.

The report says: "The educational work has been greatly extended with the active co-operation of the American Institute of Banking of the United States and its different chapters and every effort is made to prepare men for advancement, which is so necessary, especially in the rapidly growing branches, the extension of which is limited to the available trained staff."

SAVED CHANGE FOR 70 YEARS

Monticello, N. Y.—Nearly \$1,800 in old coins has been deposited in a Monticello bank by Miss Cynthia Pintler, which amount represented the savings of her brother, Hiram Pintler, for more than seventy years.

Early in life Pintler formed the habit of throwing all his small change in a tin box. He was never forced to draw from it, and when he died a few months ago his relatives found the box filled with a small fortune.

In the collection are many coins of ancient dates, large, old copper pennies, 2-cent pieces, 3-cent pieces, old nickels and dimes, eagle pennies, quarters and half-dollars, a few gold pieces and several \$1 bills which were of such out of date appearance that the ordinary person would consider them counterfeits.

Some of these coins have an added value because of their age. Never in the history of the bank has such an antique deposit been offered.

NEW BANK FOR TEXAS

Weimar, Texas.—The T. A. Hill State Bank, capital stock \$40,000, fully subscribed, has been organized at this place, succeeding the T. A. Hill private bank. The officers of the new institution are T. A. Hill, president; George Herder, Sr., first vice-president; John C. Hubbard, second vice-president; R. L. Williams, cashier; T. A. Hill, George Herder, John C. Hubbard, William Hillje and W. A. Van Alstyne, board of directors. The new bank expects to begin business on or about March 20th.

GOOD BUSINESS OUTLOOK

L. B. Hanna, president First National Bank of Fargo, N. D., says: "Business outlook is flattering and retailers just at present report business dull but our wholesale concerns show substantial increase in business over a year ago. Banks in this district also show a large increase in deposits over last year. Crop prospects are very good, as there is plenty of moisture and frost in the soil, which condition usually insures good crops."

A building and loan association has been organized at Caldwell, Kan.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

BANK FIXTURES FOR SALE

FOR SALE—About 40 feet marble fixtures, practically new. Low price. Quick delivery. Can be changed to suit. See sample in this office. Send diagram of your room. For particulars address or call CHICAGO BANKER OFFICE, 407 Monadnock Block, CHICAGO

FOR SALE—Miscellaneous

r-A Reflex, focal plane shutter, Celor six-inch lens. Cost \$84.50. Like new, \$45.00. Address, X-44, Chicago Banker.

r-A Graflex, 1C. Tessar lens, focal plane shutter (new out of stock), value, \$101.50. Sell, \$85.00 Cash. Address, X-55, Chicago Banker.

4x5 Goerz-Argo, latest model, Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$165.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale. 94-inch Goerz Dagor, Volule shutter. value \$97.50. Sell for \$50.00, like new. Six-inch Dagor, Kollas Shutter, new. Cost \$85.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safeguard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

History of Banking in the United States. John Jay Knox. \$5.00.

Practical Banking. Claudius B. Patten. \$5.00.

Modern Banking Methods. A. R. Barrett. \$4.00.

Elements of Foreign Exchange. Franklin Escher. \$1.00.

Gold Production and Future Prices. Harrison H. Brace. \$1.50.

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Bankers' and Merchants' Perpetual Maturity Guide. \$5.00.

Trust Companies—Their Organization, Growth and Management. Clay Herrick. \$4.00.

Savings Bank and Its Practical Work. Wm. H. Kniffin, Jr. \$5.00.

Practical Treatise on Banking and Commerce. George Hague. \$3.00.

Banker in Literature. Johnson Brigham. \$2.00.

Bank Directors—Their Powers, Duties and Liabilities. John J. Crawford. 50c.

Credit Currency. Elmer H. Youngman. 50c.

Natural Money. John Raymond Cummings. \$2.00.

Two Thousand Points for Financial Advertising. T. D. MacGregor. \$1.50.

All or any of the above books will be sent, carriage prepaid, by

THE CHICAGO BANKER,

407 Monadnock Building, Chicago.

BACKWARD SPRING IN NORTH CAROLINA

Raleigh, N. C.—Joseph G. Brown, president of Citizens National Bank, says: "Farming operations in this section have been considerably retarded and lumber shipments have been almost entirely prevented by unfavorable weather conditions, which lasted until three days ago. Brighter weather since then, however, makes our farmers more hopeful as to crop prospects. Difficulties of travel and transportation have greatly delayed opening of spring trade, which shows signs of improvement with better weather."

Because of political agitation, indications are that business will be dull during the summer, although cotton milling interests are in much better condition than during last year. Banks have plenty of money and many of them are looking for good paper."

NEW A. B. A. MEMBER BANKS

Following is a list of members joining the American Bankers Association for period beginning Wednesday, February 21, 1912, and ending Tuesday, March 5th, both inclusive:

California—Huntington Park, Bank of Huntington Park; Maxwell, Colusa County Bank, Branch; Oakland, Telegraph Avenue Savings Bank, of Central Oakland; Suisan, Bank of Suisan.

Colorado—Marble, Marble City State Bank, Connecticut—New London, New London City National Bank.

Florida—Chipley, Chipley State Bank; Trenton, Farmers and Merchants Bank.

Georgia—Bowdon, Merchants and Planters Bank; Cordele, Citizens Bank; Crawford, Farmers Bank; Fitzgerald, Third National Bank; Lincolnton, Bank of Lincolnton; Monticello, Jasper County Bank; Scott, Scott Banking Company; Vidalia, First National Bank.

Illinois—Argenta, Gerber State Bank; Urbana, Urbana Banking Company.

Indiana—Howe, State Bank of Lima.

Iowa—Clear Lake, Cerro Gordo State Bank; Toledo, First National Bank.

Kansas—Uniontown, Union State Bank.

Kentucky—Carrollton, German-American Bank.

Louisiana—Paradis, Bank of Paradis; Vacherie, Bank of Vacherie.

Mississippi—Duck Hill, Duck Hill Bank.

Missouri—El Dorado Springs, Bank of El Dorado Springs; Mount Vernon, Mount Vernon Bank.

Montana—Moccasin, Moccasin State Bank.

New Jersey—Long Branch, John G. Sacco & Sons, bankers.

New York—Brooklyn, German Savings Bank; New York, Fisk & Robinson.

North Dakota—Webster, Bank of Webster.

Ohio—Kipton, Kipton Bank Company; Lima, Lima Trust Company; Newark, Newark Trust Company.

Oklahoma—Muskogee, Union State Bank.

Oregon—Prairie City, First National Bank.

Pennsylvania—Reading, Commercial Trust Company.

South Carolina—Orangeburg, Farmers Union Bank and Trust Company.

South Dakota—Pukwana, First National Bank.

Tennessee—Morristown, Morristown Bank and Trust Company.

Texas—Sinton, Bank of Commerce.

Washington—Anatone, First Bank of Anatone; Thornton, Comegys, Hanford & Miller, bankers; Monticello, Monticello State Bank.

Wisconsin—Webster, Burnett County State Bank.

Convention Dates

FLORIDA—Key West, April 4 and 5; Secretary, Geo. R. DeSaussure, Jacksonville.

LOUISIANA—Covington, April 26 and 27; Secretary, L. O. Broussard, Abbeville.

TEXAS—San Antonio, May 7, 8 and 9; Secretary, J. W. Hoopes, Austin.

OKLAHOMA—Tulsa, May 10 and 11; Secretary, W. B. Harrison, Enid.

ARKANSAS—Little Rock, May 14 and 15; Secretary, Robert E. Wait, Little Rock.

MISSISSIPPI—Gulphort, May 21, 22 and 23; Secretary, R. Griffith, Vicksburg.

ALABAMA—Mobile, May 17 and 18; Secretary, McLane Tilton, Jr., Pell City.

MISSOURI—Joplin, May 21 and 22; Secretary, W. F. Keyser, Sedalia.

KANSAS—Topeka, May 23 and 24; Secretary, W. W. Bowman, Topeka.

CALIFORNIA—Long Beach, May 23, 24 and 25; Secretary, F. H. Colburn, San Francisco.

GEORGIA—Atlantic Beach, Fla., May 24 and 25; Secretary, L. P. Hillyer, Macon.

TENNESSEE—Knoxville, May 29 and 30; Secretary, F. M. Mayfield, Nashville.

IOWA—Cedar Rapids, June 5 and 6; Secretary, P. W. Hall, Des Moines.

MICHIGAN—Kalamazoo, June 11, 12 and 13; Secretary, (Mrs.) H. M. Brown, Detroit.

NEW YORK—Buffalo, June 13 and 14; Secretary, William J. Henry, New York City.

MINNESOTA—State Agricultural College, St. Paul, June 14 and 15; Secretary Charles R. Frost, Minneapolis.

IDAHO—Coeur d'Alene, June 17, 18 and 19; Secretary, J. W. Robinson, Boise.

PENNSYLVANIA—Bedford Springs, June 18 and 19; Secretary, D. S. Kloss, Tyrone.

NORTH DAKOTA—Jamestown, June 19 and 20; Secretary, W. C. Macfadden, Fargo.

VIRGINIA—Old Point Comfort, June 20, 21 and 22; Secretary, Walker Scott, Farmville.

MARYLAND—Blue Mountain, June 20, 21 and 22; Secretary, Charles Hann, Baltimore.

OREGON—Portland, June 21 and 22; Secretary, J. L. Hartman, Portland.

SOUTH DAKOTA—Belle Fourche, June 26 and 27; Secretary, J. E. Platt, Clark.

NORTH CAROLINA—Morehead City, June 26, 27 and 28; Secretary, Wm. A. Hunt, Henderson.

WASHINGTON—Tacoma-Olympia, June 27, 28 and 29; Secretary, P. C. Kaufman, Tacoma.

SOUTH CAROLINA—Charleston, July 5 and 6; Secretary, Lee G. Holleman, Anderson.

WISCONSIN—Milwaukee, July 24 and 25; Secretary, George D. Bartlett, Milwaukee.

American Institute of Banking—Salt Lake City, Utah, August 21, 22 and 23; Secretary, A. C. Dorris, Nashville, Tenn.

American Bankers Association—Detroit, week of September 9-14; Secretary, Fred E. Farnsworth, 11 Pine Street, New York City.

STANDARD TRUST DIRECTORS

It was announced this week that Albert H. Wiggin, president of the Chase National Bank; Charles H. Sabin, vice-president of the Guaranty Trust Company, and James M. Pratt, the new vice-president of the Standard, would be elected directors of the Standard Trust Company. Although it was denied that there is any thought of the Guaranty absorbing the Standard, it is believed in some quarters that the placing of Mr. Sabin and Mr. Pratt on the directorate indicates that closer relations between the two institutions have been established, which will eventually result in a consolidation.

The Standard Trust Company was organized in 1898, and on January 1st last, had deposits of about \$17,000,000. It is capitalized at \$1,000,000, and has a surplus of \$1,400,000. William C. Lane, president of the company, will continue at the head of the concern. It was at his solicitation that the new interests were admitted, as Mr. Lane has long been anxious to secure the assistance that Mr. Pratt's election as vice-president will mean.

The Donna (Texas) State Bank has increased its capital to \$15,000.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

THERE are many of neither party nor religious bias, who will believe a lot of what Attorney Haney said about Chicago newspapers and Illinois politics.

"S HALL the people rule?" says T. R., "is the real issue in the campaign." Yes, we remember now how it was for those long seven years. Even congress, the people's representatives, were not consulted.

T HAT vacuum cleaner trust sucked in all kinds of dust but gold dust. That's why it failed.

T HE Roosevelt paper calls it a "people's triumph" when its candidate wins the primary. When Taft wins it's "crooked work by the organization." This happened at Evansville.

R. W. ASHTON of Pipestone, Minnesota, connected with the Security Bank there, was a Chicago caller Wednesday.

T HE old banking acquaintances of David Beaton, Jr., formerly connected with the Central Trust Company of Illinois, will be pleased to know that he has engaged in business for himself as a general insurance broker located in Room 1545, Insurance Exchange Building, 175 W. Jackson Boulevard.

B ESIDES the third-term precedent, T. R.'s seven years' silence in the White House on the tariff is enough to queer him.

S ENATOR BEVERIDGE, in beautiful phrase, told of Theodore the Great that while president he "struck with any weapon he could find every robber of the people, and every power that set itself above the nation."

Y ET, not that we can remember did he ever hit the steel trust or the harvester trust or the sugar trust or the woolen trust or any of the combinations that are fattening off the tariff. No, by Harriman, he didn't.

J OHN O. ELLINGTON of Fayetteville, N. C., has been elected president of the Anchor Trust at Raleigh. Mr. Ellington has been a bank examiner, and is rated in the first class of North Carolina bankers.

R ECENTLY he was president of the North Carolina Bankers Association, and gave a strong administration. The Anchor is a new bank, but has a very promising outlook, and good backing. Mr. Ellington, who has been vice-president of the Fourth National at Fayetteville, will remove his family to Raleigh. The other bankers have extended him a warm welcome.

I OWA has robbed Illinois of another good banker, partly to even up the large number Illinois has lured across the river from that state. He is J. T. Pickard of Toluca, who goes to be cashier of the Iowa State Bank at Mason City.

I. W. KEERL, who was cashier for ten years, was made a vice-president. Mr. Keerl is getting "offensively rich," and his other interests have been cutting in on his time for banking and recreation. N. C. Kottchell is the president.

P ICKARD was born in a bank (almost), and his family dominate a string of them in Illinois. He and his charming wife will be quite a social addition to the city, which Charley McNider put on the map.

"T EST your seed-corn," is being preached in every country paper, incessantly. Good dope! Sounds like that other truism, "put your bank under supervision." Let us get together on the two propositions.

C HAS. E. McKINNEY, president. Sioux Falls National Bank, Sioux Falls, S. D., called on Chicago banking acquaintances last week, and reports business and banking conditions in South Dakota as being very satisfactory.

T HE last statement shows the new line-up for Mr. McKinney's consolidated American National and Sioux Falls Savings banks. Wm. Ontjes, formerly vice-president and cashier of the American National, is one of the moving spirits in the new combination. Deposits are \$1,745,839.

I T is the understanding that all committees not yet called for Briarcliff may be called by the chairmen. It's up to them.

I T is getting to be that if C. G. Dawes walks past a bank, and glances up at the sign, the stock begins to rise and rumors begin to circulate about further absorptions. Like his Uncle Reynolds, Dawes is getting the habit.

B. F. HARRIS has given consent to go on the programs in Pennsylvania, Texas and Iowa—quite a wide territory—to speak on the farmer end of it. Hasn't it spread, though?

C HAPMAN and Harris say they're going to make farmer-banker orators of Watts, Pierson, and Arthur Reynolds, the currency issue being for the moment "lost to sight though to memory (and to the committee) dear."

B OTH Andrew Russel and L. L. Emmer-son are banker-candidates for state treasurer at the republican primaries this year. Sorry they both can't get in. Why not patch up a little deal, and one of them go after it next time? In that way both could win. Bankers will be glad of a chance to help pull off such a double play.

S ECRETARY P. W. Hall of Iowa telegraphed from Cedar Rapids, where the executive council met on Wednesday, that the Iowa convention dates will be June 5th and 6th, at Cedar Rapids. Big farmer program in preparation.

F. O. WATTS has pulled off the record financial coup of his life and of his state in selling the Nashville Railway and Light properties to a big New York operating company. Local holders will receive 114 for their stock. Mr. Watts represented the owners in the deal.

A Time to Buy Bonds

An opportunity is now afforded to obtain first-class municipal and corporation bonds on attractive terms. Safeguarded by the most stringent and exacting requirements, obligations of these classes present to the investor every incentive for immediate purchase.

Among the bonds which we are offering at this time, some of which are obtainable in \$500 and \$1000 bonds, may be mentioned:

TO YIELD FROM 3% TO 4% PER CENT.

	Paying About
City of Saint Louis, Missouri, Public Works 4s	3.88%
City of Chicago, Illinois, Corporate 4s	4.10%
City of New York Obligations (All issues)	4.12%
Central Pacific First Ref'g 4s (1949)	4.15%
City of Memphis, Tennessee, Board of Education 4 1/2s (1950)	4.25%
Galveston, Harrisburg & San Antonio (Mex. & Pac. Div.) 5s (1931)	4.40%
City of Ferguson, Missouri, Improvement 5s (Various)	4.50%

TO YIELD FROM 4% TO 6 PER CENT.

City of Fort Worth, Texas, Municipal 5s (1951)	4 1/2%
St. Louis & San Francisco R. R. Equipment 5s (Gtd. by Am'n Car & Foundry Co.)	4.70%
Detroit Edison First 5s (1933)	4.85%
Chicago, Rock Island & Pacific Ref'g 4s (1934)	4.70%
City of Fort Smith, Arkansas, Improvement 5s (Various)	5.00%
Saint Louis Southwestern Railway System (Central Arkansas & Eastern First Mortgage 5s, 1940)	5.15%
United Ry's of St. Louis General First 4s (1934)	5.65%
Street's Western Stable Car Equipment First 5s (1916)	6.00%

We have a host of other issues, which we own and can offer to the discriminating investor. We have merely taken the above as a typical selection of bonds from the large number on our list.

We should be very glad to add your name as a permanent and valued client of this firm.

D. Arthur Bowman & Company

INVESTMENT BANKERS

Third National Bank Building ST. LOUIS, MO.

T HE project contemplates the development of properties at Nashville, Louisville and Chattanooga, through the marvelous water power in Tennessee located at Ocoee, Hales Bar and Great Falls, which will produce 600,000,000 horsepower per annum. Not only these points, but industries within a radius of 200 miles of these great hydro-electric plants will be benefited as a result of this deal.

M R. WATTS secured \$120,000 for the option to May 30th, but the outlook is too big to cause any misgivings as to the deal going through. The talented ex-president of the A. B. A. is being congratulated on all hands on the big deal, and the improved future for his beloved city.

O UR compliments to S. E. Bradt of the First National at DeKalb on the taking over of the Commercial Trust and Savings of that city, shortly to be known as the First Trust and Savings.

E. P. ELLWOOD is president of the First National, which is 53 years of age (national since 1882), and has a fine record. Vice-President Bradt, is the active man, and represents the bank in association and group matters, in which work he is quite active.

T HIS gives DeKalb a financial institution with \$1,400,000 in deposits, and capital strength of \$300,000. The new combination will prove a strong one. The addition of the state organization to the national bank will allow the institution to do different lines of business from which they are now barred, and will result in an increase in business.

J. B. FORGAN, after thirty days at Bellair, has recovered completely from the effects of the thirty-year dinner the Northwestern National pulled off at Minneapolis. Mr. Forgan is back at work again and, having won the council cup at Nashville, last year, is expected to defend his title at Briarcliff on May 6th.

G EORGE F. ORDE was the second best guesser upon that occasion, and will be at Briarcliff to contest again. Orde has sworn off playing with lady champions in disguise. Hereafter all lady golfers look like champions to George until he looks up their records.

E. D. HULBERT is on the job again after a month at the Arkansas Hot Springs. Says he feels fine, and he looks it.

H YDE PARK TRUST AND SAVINGS (née Hyde Park Bank) expects to be out in its new spring suit just as soon as "the papers" come from Springfield. This twenty-year-old bank (and real estate) saw the point when a rival firm (John A. Carroll & Co.) began to organize the Hyde Park State Bank. Two good banks and state supervision ought to satisfy Hyde Parkers for some time to come. Agitation of a new bank supervision bill did it.

G EORGE M. REYNOLDS conducted himself so acceptably as treasurer of the South Park board that he has been re-elected. And he refused a similar job from his Uncle Samuel, too.

CASHIER.

MEETING OF WILLIAM A. MASON'S CREDITORS

The creditors of the insolvent Wilson Avenue Bank met in the office of Referee in Bankruptcy Frank L. Wean in the Monadnock Block, this week. The purpose of the meeting was to decide upon a course of settlement of the affairs of the bank. The Central Trust Company was confirmed as trustee, and their bond fixed at \$10,000. The next meeting of creditors will be held March 27th.

Atwood, Tenn.—A new bank has been organized with D. A. Bullington president and W. T. Browning cashier.

ALL BRANCHES OF BANKING



1857

1912

ORSON SMITH	- - -	President	P. C. PETERSON	- - -	Assistant Cashier
EDMUND D. HULBERT	- - -	Vice-President	C. E. ESTES	- - -	Assistant Cashier
FRANK G. NELSON	- - -	Vice-President	LEON L. LOEHR	- - -	Sec'y and Trust Officer
JOHN E. BLUNT, Jr.	- - -	Vice-President	F. W. THOMPSON	- - -	Mgr. Farm Loan Dep't
J. G. ORCHARD	- - -	Cashier	H. G. P. DEANS	- - -	Mgr. Foreign Dep't

CAPITAL AND SURPLUS - \$9,000,000



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

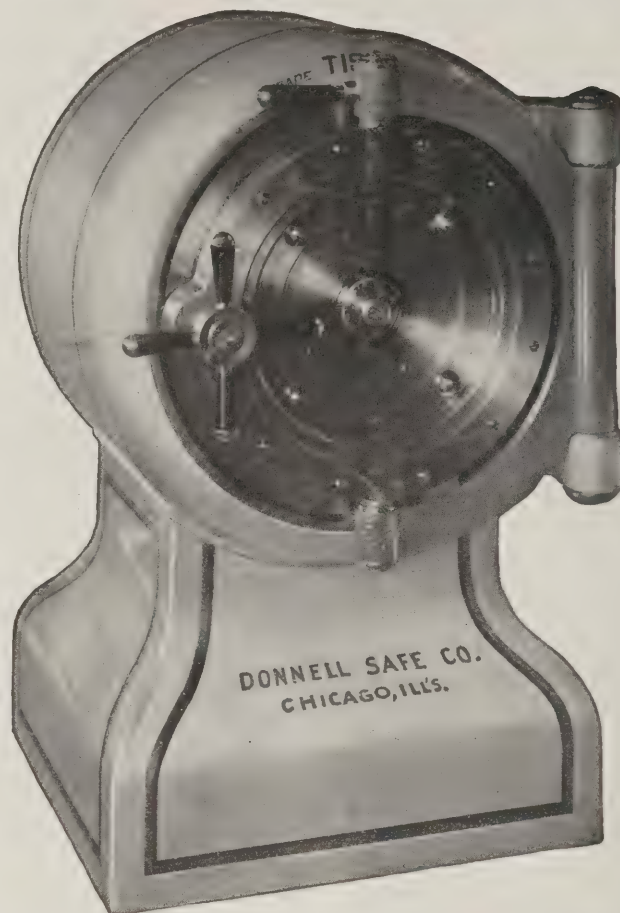
THE NATIONAL CITY BANK
OF CHICAGO

Capital	- - - -	\$ 2,000,000.00
Surplus and Undivided Profits	- - - -	587,563.63
Deposits	- - - -	30,713,013.20

OFFICERS

ALFRED L. BAKER	- - -	DAVID R. FORGAN	- - -	President
H. E. OTTE	- - -	HENRY MEYER	- - -	Assistant Cashier
F. A. CRANDALL	- - -	A. W. MORTON	- - -	Assistant Cashier
L. H. GRIMME	- - -	WM. N. JARNAGIN	- - -	Assistant Cashier
W. T. PERKINS	- - -	WALKER G. McLAURY	- - -	Assistant Cashier
W. D. DICKEY	- - -	R. U. LANSING	- - -	Manager Bond Dept.
		M. K. BAKER	- - -	Asst. Manager Bond Dept.

Donnell Safe Co.



General Western Agents for the York Safe & Lock Co., who have the best-equipped safe factory in America. Their Manganese safes are superior to any in the market. We sell these safes subject to a test against any Manganese safe made and will guarantee all our work equal, if not superior, to any made. We can refer you to any banker in Chicago. We carry the largest stock of bank safes in Chicago. Burglar vault doors, vault linings, burglar safes that have been used always on hand. A large lot of second-hand deposit boxes that are modern and good as new.

227-229 Washington St., Chicago, Illinois

Fourth Street National Bank
OF PHILADELPHIA

Capital	- -	\$3,000,000.00
Surplus and Profits	- -	6,500,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board	
E. F. SHANBACKER, President	FRANK G. ROGERS, Vice-President
JAMES HAY, Vice-President	R. J. CLARK, Cashier
B. M. FAIRES, Vice-President	W. A. BULKLEY, Assistant Cashier
W. K. HARDT, Assistant Cashier	

The Girard National Bank
OF PHILADELPHIA

Capital	- -	\$2,000,000.00
Surplus and Profits	- -	4,585,000.00
Deposits	- -	40,000,000.00

FRANCIS B. REEVES, President

RICHARD L. AUSTIN	JOSEPH WAYNE, Jr.
Vice-President	Cashier
THEO. E. WIEDERSHEIM	CHARLES M. ASHTON
Second Vice-President	Asst. Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

MARCH 30, 1912

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10 CENTS A COPY

A. B. A. Doings

New York, March 26.—The administrative committee of the American Bankers Association has just met in New York City to transact the usual routine business, which they are authorized to do between the sessions of the executive council. There were two members of the committee present, President William Livingstone of Detroit and Vice-President C. H. Huttig of St. Louis, the third member, Chairman Arthur Reynolds, being in California. The committee confirmed the dates for the next convention, the week of September 9th at Detroit, approved the selection of the Hotel Pontchartrain as headquarters, and approved the action of the general secretary, as authorized, to procure accommodations at this hotel for the officials.

The committee authorized the removal of the present offices in the Hanover Bank building from the eighteenth floor to the twelfth floor, where more commodious quarters will be fitted up. The present offices are very much congested.

The committee decided to invite Sir Edward H. Holden, Bart., chairman London City and Midland Bank, of London, to address the next convention. It was decided to invite prominent bankers representing the Bank of France and the Bank of Germany to be present and address the convention. Several other speakers were suggested—men of prominence in the United States, who will be invited to address the convention at Detroit.

A general program was adopted for the spring meeting of the executive council, which will be held at Briarcliff Lodge, Briarcliff Manor, N. Y., May 6th, 7th and 8th.

E. J. Curtin, president Citizens Savings, Decorah, Iowa, and president of the Iowa Bankers Association, was placed on the agricultural committee to fill the vacancy which existed.

C. G. Hutcheson, cashier of the First National, Kansas City, Mo., was placed on the finance committee in the three-year class to fill a vacancy.

On the request of President Taft, Hon. Charles Nagel, secretary department of commerce and labor, has called a convention to be held in the city of Washington, D. C., on April 22, 1912. This convention is for the purpose of considering the establishment of a national organization particularly representative of the commercial interests of the whole country. The committee appointed Messrs. Samuel McRoberts, vice-president, National City Bank, New York City, Levi L. Rue, president Philadelphia National, Philadelphia, and T. J. Davis, cashier First National, Cincinnati, and A. D. Graham, vice-president and cashier Citizens National, Baltimore, to represent the association at this convention.

COGSWELL LAST ON THE ROUTE

Not less than sixty members of council and of committees have made reservations on the Briarcliff special already, and most of those along the route have signified their intention of getting on board. The last member between Chicago and Briarcliff is Ledyard Cogswell at Albany. If the train goes through Albany at a reasonable hour it is his inten-

Views at Briarcliff Lodge, N. Y.



this year. A special train will be run from Chicago, leaving Saturday, May 4th, at 2:30 p. m., carrying members of council, members of committees, their wives and daughters. The train will be all steel compartment cars, and will follow the Century Limited out of Chicago over the Lake Shore and New York Central. Reservations may be made through The Chicago Banker as heretofore.

BRIARCLIFF Lodge, Briarcliff Manor, N. Y., thirty miles up the Hudson from the metropolis, is rated one of the handsomest and best equipped summer hotels in America. It is located on the high-point of a five thousand acre tract, five hundred feet above tide water. The American Bankers Association's Executive Council will meet there May 6-9,



tion to get on board, and ride down the Hudson with the western boys. Mr. Cogswell is a very popular member of the council, and his name is mentioned more frequently than any other in connection with the chairmanship at the Detroit convention.

Andrew J. Frame

Andrew J. Frame, the Sage of Waukesha, has been devoting the past month to golf and "having a good time," at San Antonio. He shortly will return and will join the other western members of the council on the Briarcliff special. Mr. Frame has been doing considerable missionary work in the line of straightening out a few of the "kinks" in the currency plan. He reports that many bankers in the Southwest are opposed to the bill as it now stands.

FIRST NATIONAL AND FIRST TRUST AND SAVINGS

The management of the First Trust and Savings and the First National Bank of this city contemplates stopping temporarily the dividends on the stock of the former institution. This method is to be adopted in order that the surplus of the First Trust may be built up. It is proposed to make up for this by declaring extra dividends out of the earnings of the national bank sufficient to bring the total rate up to 17 per cent. This will not make any real difference, as the stockholders of the two institutions are identical. All of the First Trust's \$5,000,000 capital, except the original \$1,000,000, was derived from its own surplus earnings, and that \$1,000,000 came from the surplus of the First National.

SENTIMENT FOR SUPERVISION

Those who have been looking into the situation covering the whole question of bank supervision and regulation in the state of Illinois are convinced fully that the few noisy private bankers who are contending and threatening would subside naturally if they were better posted. The percentage of private bankers, who are willing to incorporate just as soon as their rivals are compelled to do so might astonish them. Reports from all over the state show that there is quite a noticeable movement toward incorporation even at the present time. The private bankers who come in voluntarily will have considerable advantage with the public over those who come in when they are compelled to do so. Furthermore, it will be a matter of some surprise to those who oppose state supervision, when they find out the list of the names of the strong men who have agreed to serve on the committee to prepare a new banking law for the state.

W. G. Edens

William G. Edens, assistant secretary of the Central Trust Company of Illinois, made about ten counties on his trip last week. In addition to observing the condition of the country roads, Mr. Edens also keeps his weather eye out for the agricultural and educational situation. He says that Illinois farmers are beginning to take an increased interest in silos, and that while Wisconsin, Iowa and Indiana may lead in this regard, the Illinois farmers rapidly are getting into line.

All local banks will be closed on both April 2d and 9th on account of local elections.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

OFFICERS

GEORGE M. REYNOLDS President JOHN JAY ABBOTT Vice-President GEO. B. CALDWELL Vice-President CHARLES C. WILLSON Cashier FRANK H. JONES Secretary WM. P. KOPF Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
Circulars on application

105 South La Salle Street

CHICAGO

WEIL, ROTH & CO.

CINCINNATI AND CHICAGO

Municipal BONDS Netting 3.80 to 5.50%

Corporation BONDS Netting 5 to 6%

Short or Long Maturities

INQUIRE FOR LIST OF OUR HOLDINGS

115 South La Salle Street

CHICAGO

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital - \$2,000,000
Surplus - 500,000
Deposits - 26,200,000

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARWELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
THOMAS E. NEWCOMER, Asst. Cashier
HARRY LAWTON, Manager Foreign Department

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908 \$ 9,887,954.84
February 5, 1909 11,617,691.24
March 29, 1910 15,041,357.21
March 7, 1911 21,574,956.79
June 7, 1911 23,137,746.88
September 1, 1911 24,500,075.82
December 5, 1911 25,445,199.89
February 20, 1912 26,207,446.32

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Drovers Deposit National Bank

OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-eight years rendered Efficient and Quick Service to its Correspondents

Resources, Nine Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER
GEO. M. BENEDICT
WM. C. CUMMINGS



Mainly About Banks and Bankers

WHEN we wrote "six hundred millions" in the Watts-Nashville paragraph, last week, must have been thinking about the Continental and Commercial or the Central Trust deposits a few years hence, if they keep on absorbing our other customers.

F. O. WATTS says to "cut off three ciphers," and that leaves the water power around Nashville big enough, in all conscience.

CHICAGO bankers accepted William H. Taft's promissory note three years ago with Theodore Roosevelt as indorser. It is up for renewal now with D. R. Forgan and George M. Reynolds as guarantors for the next four years. "Good!" says everybody.

GROUP 7, Illinois, drew an attendance of one hundred bankers at Sullivan last week. The program was carried out without a break, to the great satisfaction of everybody concerned. Every county in the group was represented, and a fine luncheon was served during the noon hour.

THE new president of the group is J. E. Reese of the Schuyler State Bank at Pana; E. G. Foster of Shelby county is the secretary-treasurer. Irving Shuman, who was president last year, was elected to the three-year term on the executive council of the Illinois Bankers Association. This will help to keep Mr. Shuman actively in the harness, and among the workers of the state association, where he is regarded as a progressive.

FRANK COLLINS, assistant secretary of the Union Trust of Chicago, is not allowing anyone to overlook the gain in deposits made in the past twelve months. Slightly over four millions have been added. Mr. Collins is an enthusiastic worker, and any institution in which he is interested is likely to show a bulge in the figures.

A. F. DAWSON, president of the First National at Davenport, has for distribution a few copies of his paper on "Currency Reform," read before the Contemporary Club in his city. Mr. Dawson has had a large legislative experience, and spent many years in Washington, giving him an insight into the possibilities of legislation.

GEORGE E. NOLAN of the Orlando (Fla.) Bank and Trust Company, delivered a fine address on "Bank Courtesy," at a convention of bankers held at Warm Springs, Ga. Possibly he may be able to furnish copies of the paper, and all those who wish to make a further study of the influence of bank courtesy on business would do well to secure it.

EVERETT AUDIT COMPANY of Chicago continue the publication of their attractive house-organ, called "Business Experience." This paper very neatly calls attention to the necessity for reliable audits, and this without ever once mentioning the fact that the McCrum-Howell Company apparently was able to secure certified audits not justified by the facts.

H. P. BECKWITH, president of the Northern Trust Company at Fargo, N. D., calls attention to a meeting of Group 3 at his city on April 11th. Mr. Beckwith is secretary for the group and promises an interesting program.

GOVERNOR C. S. OSBORN of Michigan has come out fairly in favor of state guaranty of bank deposits. He is not intending, however, as many suppose, to call a special session of the legislature on that subject.

THE CHICAGO BANKER has received a great many complaints about the hotel reservation situation for the Detroit convention. We are assured both by President Livingstone of the American Bankers Association and by Col. Farnsworth that nothing out of the ordinary has been done this year by the association in tying up rooms at the headquarters hotel.

THE hotel people themselves have not seemed to grasp the matter so readily as has been the case in other convention cities. Many Chicago bankers, seasoned in the business of attending conventions, have complained bitterly. The following is a paragraph from a letter just received from a well-known Iowa banker, which is printed herewith as an indication in a general way of about what those who expect to attend the meeting at Detroit are talking about:

THERE is considerable feeling, and it is beginning to run high regarding the bankers association, due largely to the attitude of the executive committee in connection with the conventions. I have in my possession certain letters written by the Pontchartrain Hotel in Detroit, which you may know is a very large hotel, in which they state that they will be unable to accommodate any other than the executive committee, their friends, and the officers of the association. I was asked to take this matter up with them, as I have been in Detroit a great deal, and felt that I was acquainted with them. This application was made within a week from the close of the New Orleans convention. The other parties interested took the matter up, and they are in receipt of a letter stating that the space outside of that reserved for the executive committee, their friends, and the officers is to be divided equally among the larger institutions in the United States. I know of considerable feeling which exists among the bankers in this section, and also in some of the larger eastern cities.

EDWIN H. FUROW of the Merchants National at Cedar Rapids sends out word that an attendance of not less than twelve hundred is expected at the state convention to be held at that place on June 5th and 6th.

ANNOUNCEMENT already has been made that both Chapman and Harris will speak on the agricultural question, and the convention will be asked to pass a resolution favoring legislation granting federal aid for extension work in agriculture and home economics in all the states and territories.

work in agriculture and home economics in all the states and territories.

IOWA bankers favor the training of teachers in the state normal schools and agricultural colleges for practical instruction along agricultural lines. President E. J. Curtin of the state association, who is a member of the state board of agriculture, and a farmer as well as a banker, has been giving a great deal of his time to this work.

THE "Original Blue Book," under which trade name the Rand-McNally Company issues its bankers' directory, is out as usual, on time. If there is anything omitted from this directory, which you think ought to be in it, the publishers will appreciate a suggestion. The book contains the new transit numbers, along with the name of each bank, which, in itself, is a long forward-step towards perfection. It is doubted if even those who use bank directories really appreciate what an immense fund of valuable information is contained in them. For instance, look through the first thirty pages of your last Rand-McNally book and you will get an idea of the service it is intended to render.

L. L. EMMERSON of Mount Vernon, a banker candidate for the republican nomination for state treasurer, was in Chicago on Saturday calling on his friends.

HERE is a good one: The French beggars in Paris have organized, and have demanded state supervision over begging. They claim that many are deceiving the public with fake ailments to the extent that people are being imposed upon and defrauded of their money. Like those who are advocating state supervision of banking in Illinois, they want to restrict their business to the ranks of the legitimate.

GEORGE A. FOSTER, for years cashier of the National Bank of Merrill (Wis.), has been promoted to the vice-presidency of that institution. E. A. Krembs, formerly with the Lincoln County Bank of Merrill, has been elected cashier to succeed Mr. Foster.

FIRST TRUST AND SAVINGS of Alton occasionally prints its advertisements in the Alton papers in the Greek language, and has found that it pays. There are several large Greek settlements in and around that thriving city.

AFTER all, that freak building put up by the Peoples Savings at Cedar Rapids seems to have been a wise investment. Deposits have increased in the last year from \$807,000 to well above a million dollars on March 9, 1912. In the past four years this institution has much more than doubled its figures.

PRESIDENT GEORGE A. McCABE of the Lake View State Bank reports a substantial growth of his new institution at 3160-62 North Clark Street. In the first two months

(Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank

CHICAGO

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President

RALPH N. BALLOU, Cashier
H. B. AHRENSFELD, Asst. Cashier



REMIT S

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

JOHN A. LYNCH, President
R. M. McKINNEY, Cashier
JAMES M. HURST, Asst. Cashier
W. H. HURLEY, Asst. Cashier

W. T. FENTON, Vice-President
O. H. SWAN, Asst. Cashier
WM. B. LAVINIA, Asst. Cashier
WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.

FIRST NATIONAL BANK MINNEAPOLIS

The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unflinching. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

DIRECTORS

A. C. BARTLETT MARVIN HUGHITT ALBERT A. SPRAGUE
WILLIAM A. FULLER CHARLES L. HUTCHINSON SOLOMON A. SMITH
ERNEST A. HAMILL MARTIN A. RYERSON BYRON L. SMITH

THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-eight years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-President
JOHN F. HAGEY, Assistant Cashier

R. F. NEWHALL, Assistant Cashier
G. H. DUNSCOMB, Assistant Cashier

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President
CHARLES L. HUTCHINSON, Vice-President
D. A. MOULTON, Vice-President
CHAUNCEY J. BLAIR, Vice-President
B. C. SAMMONS, Vice-President

FRANK W. SMITH, Cashier
JOHN C. NEELY, Secretary
J. E. MAASS, Assistant Cashier
JAMES G. WAKEFIELD, Assistant Cashier
LEWIS E. GARY, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

Charles H. Wacker
Clarence Buckingham
Edward A. Shedd
Edward B. Butler

DIRECTORS
Charles H. Hulburd
Edwin G. Foreman
Frederick W. Crosby
Chauncey J. Blair
Ernest A. Hamill

Martin A. Ryerson
Benjamin Carpenter
Charles L. Hutchinson
Watson F. Blair
Clyde M. Carr



TO

All banks in the cattle-feeding territory

WE CAN BE OF SERVICE TO YOU—
THAT'S WHY WE ARE HERE!
START AN ACCOUNT WITH
US AND NOTE THE BENEFITS

THE LIVE STOCK Exchange **BANK**
OF CHICAGO National

Bank Supervision Increasing in Most States

Reports from Tennessee indicate that the new banking bill prepared by the Tennessee Bankers Association is likely to be passed upon favorably by the legislature, and that it will have the governor's support. This bill, so far as is disclosed by a casual examination, is up to all requirements in the way of supervisory powers. It provides for examinations and for the conduct of the banking department in a similar way to the provisions made in most of the up-to-date banking bills. It follows the Minnesota law in that it gives to the bankers association the power of selecting five names, one of the persons so named to be appointed state banking commissioner by the governor. This ought to bring about an extremely healthful condition of affairs in the state of Tennessee.

State of South Carolina

B. J. Rhame, state banking commissioner for South Carolina, reports that very little in the way of altering the banking laws of that state has taken place during the past six years. The amendments which have been passed have been rather unimportant. Mr. Rhame says that the legislature in his state is rather chary about passing laws bearing on the banking interests. No state, branch, private bank or individual receiving money on deposit can escape at least one yearly examination in that state. They may be examined more frequently if the banking commissioner deem it necessary. The private bankers of South Carolina did not oppose the law putting them under state supervision and it went into effect without the least bit of trouble from them. However, they do not have nearly as many private banks in the state of South Carolina as may be found in many of the counties of Illinois. The law provides for the appointment of the state examiner as receiver or assignee of insolvent institutions. Every private bank in the state except one maintains a fixed capital, and they all report and pay taxes on individual profits, at least, Commissioner Rhame says they are supposed to do so. So far as he is concerned, he thinks it very unfair to incorporate banks with a known capital, to permit private banks to operate without capital and thereby escape the attentions of the tax assessor. Mr. Rhame is an ardent advocate of a law which would give to the state the power to compel banks to discontinue hazardous undertakings. He also believes that banks should be compelled to charge off all paper known to be worthless, and that the banking commissioner should have power to compel the discharge of incompetent employees, or those whose public conduct is not in keeping with their positions.

To Prosecute Illegal "Banking Companies"

That the time is ripe for the inauguration of proceedings against many of the so-called steamship ticket and exchange brokers operating on the east side in New York City would appear from reports submitted to Superintendent George C. Van Tuyl, Jr., of the state banking department, by bank examiners who recently have been investigating prevailing conditions under his direction.

Superintendent Van Tuyl, as a result of the facts reported to him by members of his staff, will write formal letters to many of the so-called private bankers, calling their attention to the illegal use of the word "bank" either in signs displayed at places of business, or used in their advertising literature and pass-books.

Many of these so-called steamship ticket and exchange brokers are believed to be receiving deposits in violation of the law, although in order to obtain evidence on this point it would be necessary for the banking department to have the co-operation of Italian speaking assistants, with authority to familiarize themselves with the conditions. If those violating the law by the use of the prohibited word "bank" ignore Superintendent Van Tuyl's warning, the evidence secured by the state bank examiners will be placed in the hands of District Attorney Whitman, that they may be prosecuted.

Department Stores are Offenders

Superintendent Van Tuyl's examiners in the crusade inaugurated by the superintendent, covered the major portion of the territory east of Broadway, and from Chatham Square to 116th Street, as well as the larger New York City department stores, many of which are reported to be doing an active banking business. Examiners visiting the big department stores reported to the banking department that certain of the larger establishments were undoubtedly actively operating in the banking line, while others were receiving deposits of money for the purpose of anticipating the purchase of goods. Four of the largest department stores in New York City were rated as doing an active banking business, but three of the four are co-partnerships independent of the corporations operating the stores, and are therefore not subject to criticism. On the contrary, one big department store is a corporation doing business in violation of the provisions of Section 22 of the General Corporation Law, prohibiting the exercise of banking powers. This concern will receive the attention of the department, and, unless the warning is heeded, the facts will be laid before the district attorney.

In the case of three other big department

stores in New York City the business conducted by the companies has been construed to be a banking business under the statutes, but they have accepted this construction, and have filed their bond with State Comptroller Sohmer. Two of the three are undoubtedly operating in excess of the authority given to such corporations under the law.

Drawing the Lines Tighter on Privates

Private bankers operating under license issued by the state comptroller include, according to the reports of the bank examiners, twenty-six or more concerns using the word "bank" either in a foreign language or in English, in apparent violation of Section 302 of the Penal Law, which prohibits the use of the word "bank" in an office sign, or any other word indicating that such place or office is the place or office of a "bank." The section also prohibits the use of the word "bank" on letterheads, billheads, blank notes, blank receipts, certificates, circulars, or in written or printed matter. In certain cases some of these so-called "private bankers" employ both the words "bank" and "savings" on their pass-books and in advertising literature printed and circulated in Hebrew or other foreign languages. The reports submitted to Superintendent Van Tuyl give the names and locations of all so-called bankers, together with specimens of their pass-books and printed matter, all of which will furnish a prima facie case in the event that the violations are laid before the district attorney for prosecution.

Under the penal law, only private bankers who were actively engaged in such banking business before May 23, 1885, are exempt from the section prohibiting the use of the term "bank."

In only rare cases were the state bank examiners refused information, and the two or three who denied the examiners' right to investigate their business will receive vigorous treatment, their action conveying an intimation that they are probably operating illegally.

Banking Law Journal Editorial

Several of the state legislatures are considering the subject of supervising private bankers and stock brokers. The need for some action is shown every month in the occurrences reported in the daily press; for so long as any one may call himself a banker, the evil that may follow is sufficiently great to require a drastic check. It seems a case where the reputable, bona-fide banker must make a sacrifice of his hitherto independent status for the welfare of the general public, and subject himself to supervision to keep out the "sharks" who really bring the name into disrepute. The

**YOUR
BUSINESS
INVITED**

Milwaukee National Bank
of Wisconsin

Capital, \$450,000
Surplus and Profits
\$100,000

The Fourth National Bank of the City of New York

IN every business relation, through prompt, reliable service and its thoroughly systematized equipment, The Fourth National Bank of the City of New York assures its customers exceptional facilities and convenience in the handling of their accounts.

It invites the correspondence of banks, corporations, firms and individuals throughout the country.

CAPITAL AND SURPLUS, \$10,000,000.00

subject actually is less difficult to handle than that which Kansas has so well covered in its brokers law, which is destined to let the thrifty Kansan keep his money from going into swindling stock manipulators' hands. The whole movement is for the benefit of the people and should be encouraged.

Financier Also Falls in Line

Following is an able editorial from the Financier on "Private Banking":

It is becoming more certain day by day that the era of the private bank, so-called, is drawing to an end. There are hundreds of private banks and private banking firms as responsible or even more responsible than an equal number of chartered banking institutions, but that does not imply that the right to do a banking business should be as free as the right to open a retail mercantile establishment. Banking has been called financial merchandising, and so it is. But while the terms may be synonymous, banking is a business vastly different from merchandising, and the states are beginning to recognize the fact. Passing stringent laws does not restrict the freedom of banking, or the freedom of anybody to engage in banking, except that it places the business under a responsible supervision, and as a rule the closer the supervision, the better banking we will have. This conclusion does not reflect at all on good banks or good bankers. On the contrary, it means that the stricter the banking laws are made the more responsible will be the men who enter into the business. Restriction will not hamper them an iota, but at the same time, it is a pretty safe way of keeping within the straight and narrow path men who might, under other and less stringent conditions, become anything but good bankers.

Further Private Bank Bills

Senator Sullivan has introduced in the New York senate amendments to the law restricting the private banking business: Exemptions are to be given only in cases where \$150,000 is deposited with the state as security. The exemption is now given if \$100,000 is deposited. The other amendment makes steamship companies responsible for losses where private bankers are agents of those companies. "The private banking law is the best legislation in my experience," said Senator Sullivan a few days ago. "In 1907 approximately \$2,000,000 of the earnings of poor immigrants was stolen by these bankers. Since this law has been in effect not a penny has been lost. These private bankers have deposited between \$10,000,000 and \$11,000,000 with the state. The exemption from the licensing provision is given if \$100,000 is deposited. Now we have heard of the first failure of one of these exempt bankers. We want to increase the security, and we want to make steamship companies who hold out agencies as a means of evasion of the law responsible for their agents."

Succeeds Private Bank

The Mercantile Trust and Savings Bank of Chicago, a permit for the organization of which was issued Saturday by the state audit-

or, will be the successor of the Mercantile Bank, West Jackson Boulevard and South Clinton Street, a private institution. The new bank will have \$200,000 capital. The organizers are Frank Ransford, John S. Gleason and Frank Collins.

Denver Bankers Fighting Guaranty

Denver bankers are aroused by the announcement that Governor Shafroth, C. S. Thomas, John Gabriel and State Bank Commissioner Emil Pfeiffer have allied to prevent the adoption of the bank law ordered submitted to popular vote at the fall election by the Eighteenth General Assembly and instead to substitute a law patterned after the Oklahoma bank measure. The scheme, it is claimed by members of the state bankers association, is to secure an injunction restraining Secretary of State James B. Pierce from having the bank law, as passed by the legislature, printed upon the ballots. The governor and his allies, it is understood, will base their application for a restraining order on the ground that the house of representatives lacked a quorum when the bill was passed in that body. They claim there were but 32 members present when 33 comprise a quorum.

The politicians are said to favor the provisions of the Oklahoma law, believing that it will enhance their interests. The bankers are a unit in their opposition to certain features of the Oklahoma measure, particularly the section providing for the mutual guaranty of deposits, and say they will contest to the last any attempt to incorporate this feature into the Colorado law. A formal protest to the governor and Commissioner Pfeiffer is contemplated. This protest also will contain a suggestion that, if the governor and bank commissioner are determined to prevent the adoption of the meas-

ure passed by the assembly, a compromise be effected whereby a bill can be adopted that will be mutually satisfactory to both sides.

RURAL CREDIT ASSOCIATIONS

The banks already existing in the Northwest, state and national, are so numerous and so widely distributed as apparently to render unnecessary here the banking feature of the new organizations which have recently become popular in Germany, formed especially for lending money to farmers and the owners of small rural industrial enterprises. What is needed, instead, is the simple organization of co-operative credit associations, the collective means of all the members of which shall be behind every application for a loan made by any individual member.

That farmers usually pay high rates for loans, and that the size of such loans is usually limited to a figure below the amount which they may advantageously use in productive enterprises, are facts chiefly to the circumstances that—mortgage loans excluded—the loan is usually backed by only one or two names, and these representing only moderate resources. Increase the security, and the rate goes down, while all limitations on the amount are practically abolished. This is the main secret of the success of the "Raiffeisen plan," under which the amount of money placed at the disposal of the German farmers, collectively, has grown to more than a billion and a half of dollars in a single year—all lent at about 5 per cent. Another secret is the fact that loans are made only for productive undertakings; never for purposes of speculation or extravagance.

There exists among farmers a just repugnance to the raising of money by mortgaging the farm. Often they will go without needed funds rather than resort to a mortgage. The credit association—to membership in which only men of known character are admitted—offers to the banks something even better than a mortgage. The collective character and resources of a hundred or of several hundred men, acquainted with one another, and living in such close proximity that schemes of deception as to the purposes of a loan are practically impossible, make every piece of paper offered a bank by their association practically "gilt-edged." If the local banker has not himself all the money needed, he will get it from some financial center; and he will handle it on a very small margin rather than have the association go elsewhere.

The practicability or impracticability of borrowing a modest sum of money may often determine the question whether a crop shall be a large or a small one; whether only a steer or two or a carload shall be "finished" and marketed; whether a fine crop of potatoes shall be saved by the timely erection of a root-house, or lost for want of it. The organization of a "Credit Association" would enable many a farmer to settle these and similar questions in advance and in the right way.—C. R. Barns, Extension Division, Minnesota College of Agriculture.

Trust Company Service in New York City

This company, with ample capital, large resources, and an efficient, and well-systematized organization, which dates back to 1864, has the ability and disposition to give good trust-company service.

Our various departments, including banking, foreign exchange, bond, trust, transfer, reorganization and collection, are well equipped with modern facilities for transacting business promptly and economically.

For these reasons we feel justified in cordially inviting the New York accounts of banks and trust companies.

Guaranty Trust Company of New York

Capital and Surplus	\$23,000,000
Deposits	\$178,000,000



125 West Monroe Street
CHICAGO

Central Trust Company OF ILLINOIS

Capital, Surplus and Profits, \$5,000,000
Deposits - - - 35,000,000

Accounts of banks and bankers received upon favorable terms

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

An Expert Talks on Bank Advertising

Address by F. W.
Ellsworth, of New
York, before the
Advertising Club
of Baltimore

Baltimore, March 27.—Before taking up the subject which we are to discuss to-day let us first get onto common ground by determining just what advertising is. The Standard Dictionary says that advertising is the act of "making known by public notice," and recites such synonyms as "announce," "inform," "publish." The common understanding of advertising is that it is the act of spreading information by means of printed matter in the form of newspapers, circulars, or handbills. As a matter of fact, anything which conveys announcements, or information, or news to the public is nothing more nor less than advertising. The name of a bank in gilt letters on the window is advertising. The letter-heads used in the bank's correspondence, which go to the four corners of the earth, each and every one of them advertise the bank. The building in which the institution is housed is a constant advertisement. If it happens to be an out-of-date structure, lacking in those modern improvements which have come to be necessities, the advertising will probably be unfavorable. On the contrary, if the building is of the kind and character that seem to prevail in your financial district, the advertising will be helpful. That's why most banks have such beautiful, commodious, well-appointed homes. I believe I am safe in asserting that with hardly an exception, every bank that moves into a new building experiences a gratifying increase in its business as a direct result of the improvement in its surroundings. And this is advertising.

All Banks are Advertisers

Accepting this definition as a correct one, there is not a bank in the country that does not advertise. All are telling the public that they are in business, that they have certain facilities, and that new accounts are invited, and are welcome. Why then should not banks supplement and reinforce such advertising by a conservative, dignified use of printers' ink?

Reasons Why

There are four very good reasons why the public should be made acquainted with the

various necessary facts concerning a bank. The first of these, I should say, is based on the duty of the bank towards the public. A large percentage of the people in any community is more or less unacquainted with the modus operandi of a banking institution. This lack of knowledge creates a feeling of diffidence to such an extent that it is very difficult to persuade such persons to enter a bank for the first time. They have the same feeling of bashfulness and embarrassment as inevitably accompanies unfamiliarity. Such of you gentlemen as regularly decline your wife's invitation to attend church do so, no doubt, for the same reason that prevents these people from entering a bank. The various kinds of finan-

cial institutions perform a multitude of functions, all of which are necessary at one time or another to practically any person of means. If all were acquainted with these functions, and knew that the banks performed them, there would not be the same necessity for advertising as now exists, but since they are not widely known, isn't it logical that the banks should in some way tell the people about them? And when I say that it is the duty of the bank to make known these facts, I mean just exactly what I say. The bank is the one that has the information. The public needs this information. Both the public and the bank will profit by its dissemination. Therefore, the bank owes it to the public to advertise.

The Second Reason

The second very good reason why banks should advertise is this: Banks are seeking business, and it has been conclusively demonstrated that the banks that advertise are the ones, other things being equal, that get the business. Let us consider, for instance, a typical modern bank, without mentioning any names. This bank, we will say, has a capital of \$500,000 and a surplus of an equal amount. It is located in a fine, new building, with every conceivable modern improvement. It has a corps of intelligent, courteous employees. Its officers are affable and capable. And it is prepared to receive and handle in a satisfactory manner an unlimited amount of business. If that bank never spends a penny which ordinarily would be charged to advertising, it cannot get away from the fact, nevertheless, that its building, the courtesy of its officers and employees, and the efficiency of its service are continuous and consistent advertisers for it, day in and day out. Every customer that does business with such a bank will inevitably become a satisfied customer. You know what that means. There is no doubt that a considerable percentage of every bank's business comes to it as a result of good words spoken at odd times by its customers. But is this enough? If the bank has all of favorable elements, is there any good reason why it should not make still more of an effort to

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OF PHILADELPHIA, PA.
427 CHESTNUT STREET

Capital - - - \$2,000,000.00
Surplus and Profits 1,452,000.00
ORGANIZED JANUARY 17, 1807
Dividends Paid - \$13,197,000.00

OFFICERS

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Henry B. Bartow, Cashier John Mason, Transfer Officer
Oscar E. Weiss, Assistant Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS, 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. Corner La Salle and Washington Streets

Capital - - - \$1,500,000
Surplus and profits (earned) 1,922,000
Deposits over - - 24,000,000

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JOHN R. LINDGREN, Vice-President C. EDWARD CARLSON, Asst. Cashier
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YOUR CHICAGO BUSINESS RESPECTFULLY INVITED



IF YOU HAVE NO CORRESPONDENT

IN CINCINNATI

We will welcome the opportunity of proving to you the benefits which will accrue from forming a connection with us



spread the glad news among the populace? On the other hand, isn't it the most sensible, the most feasible, and the most economical thing for that institution to acquaint all prospective customers with the advantages which are to be secured by association with the bank? Some there be in this modern age, who insist that newspaper advertising, or any other positive effort for new business, particularly that which incurs the use of printers' ink, is unethical and undignified. Is it unethical and undignified for a bank to do everything within its power to properly serve its customers? Certainly not. No more should it be undignified or unethical for a bank to let the public know that it possesses the necessary facilities—not in a braggadocio manner, but in a quiet, sensible, dignified manner. Thousands of banks are today accepting this view, and are achieving more or less success.

Repelling Business

The bank that refrains from advertising because of the mistaken notion that it is not the province of a bank to seem to be anxious for business, reminds me of old Bill Jones, who ran a general store down in one of the towns of Connecticut. Bill was a good checker player, and so were several other fellows in the town, and as a consequence there was a game on in his store almost constantly. One afternoon during the progress of one of these interesting contests a customer came in the front door. After he had waited for a few minutes one of the chaps in the bleachers called Bill's attention to him. "Hush," says Bill, "maybe if we don't make any noise he will go out." The bank of to-day that stands on false dignity is really more concerned about the false dignity than it is about new business, and is saying to itself every time a customer comes in: "Let's all be quiet, and maybe he will go out." How fast do you suppose a bank with such an enterprising policy will grow?

Does Advertising Pay?

But some say, "How do you know that advertising will pay? How can we be sure that

business will come as a result of advertising?" Ask the Pittsburgh and Cleveland banks whether or not their advertising pays. The banks of those two cities have made a campaign on banking by mail, and as a consequence have secured millions of deposits from cities and towns whose banks are not as alert to the possibilities of proper publicity as are the Cleveland and Pittsburgh banks. If the latter institutions can by advertising draw deposits from neighboring, and even remote, cities, why cannot the banks in the former towns, by the same means, secure the same business, and thus keep the money at home?

The Peoples National Bank of Westfield, N. J., recently conducted an advertising campaign for accounts by means of a Christmas Club. People were invited to open accounts for the purpose of saving money, which is to be paid back to them with interest three weeks before Christmas. Now Westfield has a population of about 7,000 people, and in three weeks' time, at an expense to the bank of only about \$250, and as a direct result of advertising, 1,375 of the people in this town have opened accounts. Two-thirds of these never before had been in touch with that bank. Hear what Mr. Griswold, the cashier, says:

"We have been particularly gratified by the class of people to whom this plan appeals, the department being largely patronized by ladies and representatives of the best families in Westfield.

"As bearing on its advertising value, we have opened seventy-seven accounts in our regular departments since this club was started.

"We believe the best feature of the ad-

vertising to be that a large number, who would not otherwise come to the bank, will be coming here from week to week, giving us the opportunity to get acquainted with them and opening the way for accounts in our other departments."

It is easy to see that the possibilities arising from this new business are almost unlimited. Does advertising pay? Ask the Peoples National Bank of Westfield, N. J.

What Can a Bank Advertise?

"But," you say, "a bank is not like a mercantile institution. It has nothing to advertise, and nothing to talk about in an advertisement." Why bless my soul! Not long ago I saw a list of the different subjects which a bank can talk about in its advertising. As I remember it, there were about one hundred and fifty different subjects in that list, from "capital and surplus," "service," "directors who direct," etc., through the whole category to "travelers' checks," and "letters of credit." A bank in Chicago ran a series of ads. for sixteen months on one subject only, that of "savings." There were over one hundred different ads. and no two alike. Incidentally, during the time the advertising was run, the savings deposits of that bank increased several millions. Whether or not the growth was a result of the advertising is perhaps not known definitely, but of one thing we can be reasonably certain, the advertising did not prevent the growth.

The Third Reason

The third reason why banks should advertise is a legal one. National and state banks are compelled by law to do a certain amount of advertising every year. The National Bank Act requires the comptroller of the currency to call on the national banks for a statement at least five times a year, and these statements must be published in newspaper. In most of the states the banks organized under the state law are required to make public statements of their condition at least for or five times a year. These statements, if the Standard Dic-

American National Bank Louisville, Ky.

Capital and Surplus, \$1,000,000

LOGAN C. MURRAY, Pres. R. F. WARFIELD, Cashier
CHAS. C. CARTER, Asst. Cash. F. L. MOSELEY, Asst. Cash.

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FARMERS, BANKERS AND CAPITALISTS
will do well to inquire for full information
regarding

5500 ACRES

of fine farm land in a solid body, in Indiana,
within one and one-half hours ride of Chicago;
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railroads. Station on land. Would be excellent
for subdivision.

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H. O. STONE & COMPANY

76 West Monroe Street

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AMBURSEN HYDRAULIC CONSTRUCTION COMPANY ENGINEER-CONSTRUCTORS

165 Broadway
New York**88 PEARL STREET, BOSTON**405 Dorchester St., W.
Montreal

Our experience is of value to you because it is gained in the successful building of 67 dams to date (Nov. 1, 1911), of all heights up to 150 feet and having an aggregate length of over 4½ miles. We have inaugurated a system of bimonthly bulletins on pungent engineering topics as viewed from the Bankers' standpoint. Send us your name for our mailing list.

tionary is correct, are just plain advertising. The purpose which inspires their publication is not primarily, of course, that of adding to the business of the bank, but the average bank, unless the comptroller's call catches it at the wrong time, is perfectly willing to make use of the opportunity to advertise its strong condition. And many institutions that at other times religiously refrain from advertising, spread themselves when the bank call comes, and use that occasion for an excuse for doing the thing that they claim is unethical at other times. If it is orthodox to advertise when compelled by law to do so, is it unorthodox to increase the appropriation a little and advertise at other times?

The Fourth Reason

The fourth reason is one which involves the first law of nature—self-preservation. There are in this country hundreds of "get-rich-quick" concerns that prey upon the gullible public, and cause the removal from the banks of millions of dollars annually. These sharks and crooks secure their business almost entirely by advertising. A government official recently stated that last year the people of this country invested with fake concerns over \$70,000,000, and this includes merely those crooked enterprises that the government was able to detect. Now if those crooks can by advertising accumulate \$70,000,000 in one year, isn't it about time that the banks and other legitimate financial institutions should by the same means endeavor to counteract and nullify the efforts of the "get-rich-quick" gentry? I cannot agree with those who claim that because the unscrupulous fellows advertise, the honest men should refrain from advertising. It seems to me that just the opposite policy is the correct one—that we should "fight fire with fire"; that we should overcome dishonest advertising by honest advertising.

As the years go on, and the old-fogy institutions, peering out through the cobwebs, observe the success of their more enterprising competitors, it will not be very long before practically all of our financial institutions will

have abandoned the attitude of the clam, and will have become public educators, such as every well ordered business institution should be. When that time comes our banking institutions will not be content with the passive form of advertising, which is so prevalent today, but will advertise in an active, effective, intelligent, dignified, educational manner, which will not only attract existing business but will actually develop the potential.

ALABAMA CONVENTION

Secretary McLane Tilton of the Alabama Bankers Association has sent out formal invitations for the state convention to be held at Mobile on May 17th and 18th. A forecast of the program shows a full list of very strong speakers on up-to-date topics. The session the first day will hear the annual address of President Frank M. Moody, also addresses by A. E. Walker, superintendent of banks, who will talk on "The First Year under the New Banking Law," which gave Alabama universal state supervision. James R. Stevens, a national bank examiner, will talk on "Bank Supervision, State and National." After these two talks, W. E. Hinds will speak on "The Business Man's Part in the Boll Weevil Fight"; Prof. J. Laurence Laughlin of the University of Chicago will talk on the currency plan. Other speakers will be C. G. Dawes, who will speak on "The South's Empty Acres"; R. F. Kolb on "How Bankers Can Co-operate with the Department of Agriculture"; Lee Cowart on "Alabama and Its Opportunities." The second day there will be an all-day excursion on the gulf to Point Clear. The business sessions of the convention will be held on board the "President."

The association officials feel that the entertainment features of this convention never have been surpassed in that state.

ILLINOIS GROUP MEETINGS

Group 6, Illinois, will meet at Tuscola on June 7th. A program which will be of interest to farmers is being arranged. Preparation is being made to give agricultural subjects an important place on the program. J. M. Hurst, assistant cashier of the National Bank of the Republic of this city, and chairman of Group 4, is at present engaged in the preparation of a program to be given at a meeting of that group to be held at Yorkville, probably on either June 11th or 13th. Mr. Hurst expects to have the speakers provided for and all details arranged in about a week's time.

HINES-LORIMER VINDICATION

The United States senatorial committee investigating the charges brought by certain interests allied with certain newspapers against the integrity of Edward Hines, one of Chicago's largest business men, and William Lorimer, United States senator from Illinois, has given these two gentlemen a clean bill of health. In other words, the committee decided that Lorimer does not owe his election to corrupt practices in the Illinois legislature, and that Edward Hines did not commit any of the acts charged against him by an official of the International Harvester Company, and by the temporary editor of a Chicago newspaper. It will appear to those who have been reading the published reports of the hearings that the committee should have arrived at a different conclusion. If those who still believe that the papers published fair reports of those hearings will ask the Edward Hines Lumber Company of this city for booklets containing the official reports, it will be found that the committee could come to no other conclusion, and that there has been the grossest misrepresentation in all of the published reports.

American Telephone & Telegraph Co.

A Dividend of Two Dollars per share will be paid on Monday, April 15, 1912, to stockholders of record at the close of business on Saturday, March 30, 1912.

WILLIAM R. DRIVER, Treasurer.



ESTABLISHED 1902

CHICAGO SAVINGS BANK AND TRUST CO.

STATE AND MADISON STS. CHICAGO.

The best evidence of the efficient service rendered by this institution to its correspondents is the steadily increasing number of banks and bankers availing themselves of our facilities. We invite both active and inactive accounts.

LUCIUS TETER, President EDWARD P. BAILEY, Vice-President JOHN A. McCORMICK, Vice-President	OFFICERS WM. M. RICHARDS, Asst. Cashier EDWARD J. PRESCOTT, Secretary	JOHN C. ARMSTRONG, Asst. Secretary F. O. BIRNEY, Asst. Secretary WILLIAM T. ANDERSON, Auditor
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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

The sixth annual convention of Group 7 of the Illinois Bankers Association held in Sullivan, March 20th, and presided over by Chairman Irving Shuman of the that city, and Secretary White of Morrisonville, was one of the best and largest group meetings ever held in Illinois. Agricultural topics were the predominating themes, and the bankers of that part of the corn belt of Illinois, composed of Christian, Sangamon, Macon, Macoupin, Montgomery, Shelby and Moultrie counties, studied carefully the program outlined by the Illinois Bankers Association along the lines of soil conservation.

One hundred bankers attended the convention, every county and almost every bank in the group sending representatives. Luncheon was served at the banquet room of the Knights of Pythias Hall at noon to the incoming bankers, after which the general address of welcome was given by Chairman Shuman, which was more fully extended by Attorney J. E. Jennings of Sullivan. President B. F. Harris of the Illinois Bankers Association responded, and also delivered his address of the afternoon. He outlined carefully the question of bank supervision in Illinois and spoke at considerable length on the agricultural work of the state association. William G. Edens of the Central Trust Company of Chicago gave a talk in his characteristic happy fashion upon the combined topics of good roads and agricultural advancement. Secretary Crampton of the Illinois Bankers Association made a few remarks and brief business talks were given by J. E. Reese of the H. N. Schuyler State Bank of Pana, for Christian county; B. R. Hieronymous of the Illinois National of Springfield for Sangamon county; B. Burrows of L. Burrows & Co. of Decatur for Macon county; Thomas F. Chamberlain of the First National of Brighton for Macoupin county; Alfred Griffin of the Farmers National of Nokomis for Montgomery county; E. N. Herron of Shelbyville for Shelby county, and Robert W. Noble of Bethany for Moultrie county.

In the evening Chairman Shuman entertained the visiting bankers who could stay for the evening at a dinner and a smoker held at the Edens House. This was one of the enjoyable events of the day. William G. Edens of Chicago was right at home in Sullivan, for, as a grand officer of the Illinois Knights of

Pythias, he laid the corner-stone of the new court house in that city, and his full-size photograph hangs in the Pythian lodge room there. Besides, the leading hostelry bears his name, and Mr. Shuman is authority for the statement that a campaign will shortly be inaugurated to change the name of the beautiful little city from the pugilistic title of Sullivan to the more gentle and subdued Bible name of Edens. Pana was selected for next year's meeting.

Chairman Shuman says that the weather man has it in for Group 7. The first date, February 22d, found Harris, Edens, Crampton and other orators snow-bound at home and the new date, March 20th, was the day of the big sleet. Shuman won out, however, on the second date, and the group meeting was a great success. As a reward for his patience, his fellow bankers named him as a member of the executive council of the Illinois Bankers Association for a three-year term.

The hit of the convention was made by a gentleman by the name of Herron, who hails from Shelbyville, and who delivered a talk on the agricultural resources of Shelby county. It afterwards developed that he is not a banker at all but a mere lawyer and politician. However, he greatly added to the entertainment. The farmers' meeting scheduled to be held at the court house in the evening was abandoned because no farmer in Moultrie county would venture out on the evening of the big sleet.

W. F. Rowe, who travels for the Drovers Deposit National of Chicago, furnished the

musical entertainment, and received much applause. Ex-Secretary S. W. Wright and L. B. Scroggin, a Sullivan bank director, did splendid service as members of the reception committee. A. W. Axtell, assistant cashier of the Live Stock Exchange National of Chicago, was there and handed out a good brand of "city smokers." William F. Van Buskirk, vice-president of the Standard Trust and Savings of Chicago, gave evidence of his familiarity with the needs of the farming section in an illuminating talk he made at the afternoon session. G. R. Baker, assistant cashier of the National Bank of Commerce, St. Louis, was also among the visitors. Everyone thought the Sullivan meeting a success.

Officers were named as follows: Chairman, J. E. Reese, Pana; vice-chairman, J. R. Miller, Litchfield; secretary-treasurer, E. G. Foster, Tower Hill; state vice-president for the group, Geo. S. Connard, Decatur. Executive committee: Sangamon county, A. O. Merriam, Auburn; Christian county, Cleve Workman, Owaneco; Shelby county, C. E. Coventry, Findlay; Macon county, W. Pritchett, Niantic; Moultrie county, Z. B. Whitfield, Sullivan; Montgomery county, J. W. Shoemaker, Nokomis; Macoupin county, T. F. Chamberlain, Brighton.

Death of Galesburg Banker

J. T. McKnight, vice-president of the Peoples Trust and Savings Bank of Galesburg,

F. E. FARRELL	Established 1864	E. E. CRABTREE
F. G. FARRELL & COMPANY, Bankers		
Successors to First National Bank		
JACKSONVILLE, ILL.		
ACCOUNTS AND COLLECTIONS SOLICITED		

GUARDIAN TRUST COMPANY OF NEW YORK	CAPITAL & SURPLUS \$1,000,000 Pays a rate of interest consistent with good banking
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Hathaway, Smith, Folds & Company	
Commercial Paper	
137 South La Salle Street	Chicago
Correspondence Invited	

MOLINE ILLINOIS	Peoples Savings Bank & Trust Co. Capital and Surplus \$400,000.00 Deposits over \$3,200,000.00 Solicits Accounts and Collections from Banks, Firms and Individuals on Favorable Terms WM. BUTTERWORTH, Pres. NELSON H. GREENE, Vice-Pres. and Cash. R. C. SHALLBERG, Asst. Cash.	MOLINE ILLINOIS
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General Agents

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Chicago



FIRST NATIONAL BANK JOLIET, ILLINOIS

RESOURCES, FOUR MILLION DOLLARS

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Andrew H. Wagner, Vice-President Henry O. Williams, Cashier
William D. Moore, Vice-President George Erb, Secretary
Alfred J. Stoops, Assistant Cashier

ESTABLISHED 1864

BANK ACCOUNTS SOLICITED

CONSERVATIVE INVESTMENTS

To Net 5½ to 6 per Cent

WE own and offer **First Mortgage Bonds**, based on the highest class of improved, income-producing, centrally located Chicago real estate, the total loan never being more than 50 per cent of the value of the security. We have sold such bonds to many banks, insurance companies, trust companies and trustees of estates in all portions of the country. ❏ No investor has ever lost one single dollar of principal or interest on any security purchased of us in the thirty years we have been mortgage and bond bankers in Chicago. ❏ Securities purchased of us are readily convertible, since it is our established custom to repurchase bonds or mortgages from clients when requested, at par and accrued interest, less the handling charge of one per cent. ❏ Write for *The Investors Magazine*, published twice a month.

SEND FOR SPECIAL CIRCULAR No. 50

S.W. STRAUS & Co.

INCORPORATED
MORTGAGE AND BOND BANKERS
ESTABLISHED 1882
STRAUS BUILDING, CHICAGO.



NATIONAL BANK OF COMMERCE IN NEW YORK

is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over \$40,000,000.00



dropped dead in the Burlington station in that city, while buying a ticket for a western trip. Mr. McKnight was for many years a member of the city council of Galesburg, and was the council's financial leader. He had lived in that city for sixty years, and had served many years as a trustee of Knox College. He gave \$25,000 toward the new Davis Science Hall of the college, and the same amount to the Young Men's Christian Association building. This is the second prominent citizen of Galesburg to die suddenly in the past few weeks as Mayor George Sanderson was recently killed in a runaway.

New Banks for Cook County

The state auditor has issued permits to incorporate to several new banks in Cook county. The Mercantile Trust and Savings Bank will be organized by Frank Hansford, John S. Gleason and Frank Collins. The Edgewater State Bank has been licensed to incorporate, the permit being given to O. F. Paisley, James T. Paisley, W. H. Paisley, and W. W. Paisley. The Hyde Park Trust and Savings Bank will be incorporated by Charles C. Norton, Daniel A. Pierce and Oliver H. Trumbly. All of these banks will be capitalized at \$200,000.

Postal Banks in Illinois

On January 31, 1912, there were 246 postal savings depositories in operation in Illinois with deposits amounting to \$1,130,000. This amount was deposited by about 13,000 depositors, or an average of \$82 for each depositor.

Since the opening of the postal saving depositories in Illinois there have been approximately 18,000 accounts opened and 45,000 deposits made, or an average of about three deposits to each depositor, and 10,500 withdrawals, or less than one for each depositor.

As compared with number of depositors and amount on deposit with other states, Illinois ranks third in number of accounts remaining open January 31st, and in the total amount remaining on deposit, showing that, as compared with other states, the average

amount to the credit of each depositor is practically the same in Illinois as the average amounts for the United States.

Illinois occupies the same relative position among the other states in postal savings business as in population.

C. L. Van Doren

The term of "banker-farmer" has been used so much in the Central West banking circles during the past months that it implies an almost distinct personality. The triple term of "banker-farmer-physician" can be applied to Dr. C. L. Van Doren of Urbana. Dr. Van Doren is president of three banks, one national and two private, and is therefore interested in both sides of the present supervision discussion in Illinois. He heads the First National of Ogden, the Royal Bank of Royal, both in Champaign county, and the Peoples Bank of Collison, in Vermilion county. He operates a section of Champaign county land, having raised sheep very successfully during the past few years. He also has a good medical practice in Urbana, has laid out a valu-

able residence addition to that university city, and is interested in various business undertakings of his community. Dr. Van Doren is an enthusiastic reader of *THE CHICAGO BANKER*.

Illinois Notes

John L. Hamilton of Hoopston delivered an address at a banquet given by Rockford manufacturers on employers' liability insurance.

Judge James T. Hoblit of Lincoln, county judge of Logan county for several years and prominently connected with the affairs of the First National Bank of Lincoln, is dead.

John D. McDowell, vice-president of the Dime Trust and Savings Bank of Peoria, is one of a number of Peoria capitalists interested in a plan to control large areas of the bituminous coal fields of Illinois.

It is expected a final dividend of 32½ per cent will be declared in the bankrupt estate of C. V. Chandler, the former Macomb banker. The first and only previous dividend of 27½ per cent makes a total of sixty per cent paid. The claims filed against the estate amounted to about \$107,000.

Ed. C. Curtis, president of the Grant Park Trust and Savings Bank, is a candidate for re-nomination to succeed himself as a state senator. He has served for many years in the Illinois legislature, having been a member of the lower house and having been its speaker. He is engaged extensively in the manufacture of brick at Grant Park and Manteno as well as being a successful banker.

Ten shares of the stock of the Carlinville National of Carlinville having a par value of 100 was sold recently at public auction for 375.

The comptroller of the currency has approved the application to organize the Macon National Bank, Macon, Georgia, capital \$200,000.

GRAHAM & SONS

Bankers

Steamship & Insurance Agents
Established 1857

Interest on Deposits—Accounts solicited
Money to Loan on Real Estate

Open Evenings—Hours 9 a. m. to 9 p. m.

661 WEST MADISON STREET, CHICAGO

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

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HERMAN F. WOLF, 2nd Vice-President
L. C. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
J. M. HAYES, Assistant Cashier
WILLIAM K. ADAMS, Auditor

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Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

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FRED. C. BEST, Secretary
CARDNER P. STICKNEY, Vice-President
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DIRECTORS

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Charles Schriber
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith



BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

The last obstacle to commencing excavation for the new First National Bank building at East Water and Mason streets, on May 1st, was removed on Tuesday with the securing by the bank of leases on the buildings occupied by the Caspar Book Company and the Wirth & Jacobs livery. The Caspar lease had a year to run and the Wirth & Jacobs lease two years. The bank building will occupy the entire north portion of the block from East Water Street to the river.

A. B. Geilfuss

A. B. Geilfuss has been elected vice-president of the Citizens Saving and Trust Company. To accept the new position he has resigned as state bank examiner, the resignation to go into effect on April 1st. Mr. Geilfuss has a wide acquaintance among Milwaukee and state bankers. He was at one time connected with the old Bank of Commerce, now out of existence, and has also served terms as city treasurer and deputy county treasurer.

Assessable Valuation of Property Reduced

The assessable valuation of the Plankinton House property, said to be the most valuable in Milwaukee, has been reduced by order of Judge L. W. Halsey from \$2,900,000 to \$2,600,000, following a protest that the original figure of the assessors, \$2,600,000 on the property and \$300,000 on the building, was unreasonable. The revised valuation applies only to the site, recently purchased by Charles W. Sommers of Cleveland, who contemplates re-

moval of the present building next fall, and the erection of a modern theater, hotel, and office building to cover the entire south side of the block.

Will Improve Railroad Terminal Facilities

The Milwaukee terminal facilities of the Chicago, Milwaukee & St. Paul Railroad will be improved this summer at a cost of \$500,000, according to advices received by Assistant General Superintendent Percy C. Eldredge from President A. J. Earling of the road. The improvements to the terminal have been long under contemplation.

Company Reorganized

Milwaukee officials of the Allis-Chalmers Company have been advised of a reorganization of the company to go into effect immediately. The first step will be application for the appointment of a friendly receiver for the company. The assets later will be acquired by a new corporation, which will have an authorized capital stock of \$42,000,000, of which \$16,500,000 will be 7 per cent cumulative preferred, and \$26,000,000 common.

First Mortgage Bonds on Market

A tiny American flag raised at the top of the new eight-story building of the Merchants and Manufacturers Bank this week marks the completion of the reinforced concrete construction work. Five per cent first mortgage bonds on the building have been placed on the market by the Merchants and Manufacturers Realty Company. The bonds are due

serially from January 1, 1917, to January 1, 1926, with interest payable on the first of January and July at the Merchants and Manufacturers Bank. The bank and realty company organizations are identical.

\$10 Counterfeit Bill

A counterfeit United States ten-dollar gold certificate made its appearance at the receiving teller's window of the First National on Wednesday, and the United States marshal was notified. The dark shade of the brown ink in which the amount of the certificate was printed led to the bogus note's detection. It is the first counterfeit bill that has shown up in Milwaukee for several months.

Among the Forgers

Dorothy Kelein, self-confessed woman forger, who passed four checks amounting to \$62 on Milwaukee merchants last week, was placed on probation by Judge Backus for one year. James Ludford, an Englishman, found guilty of several charges of forgery has been sentenced to one year at the house of correction.

To Improve Milwaukee Harbor

Under the guidance of Herman Bleyer, newly elected secretary of the Milwaukee Harbor commission, long contemplated plans for the improvement of Milwaukee's harbor facilities are nearing completion. The common council harbor committee this week recommended an appropriation of \$4,000 for the preliminary work and also recommended for passage a



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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JAMES K. ILSLEY, President	
JOHN CAMPBELL, Vice-President	J. H. PUELICHER, Cashier
F. X. BODDEN, Assistant Cashier	H. J. PAINE, Assistant Cashier
G. A. RUESS, Mgr. South Side Branch	S. H. MARSHALL
J. H. TWEEDY, Jr.	R. N. McMYNN
GUSTAV RUESS	C. C. YAWKEY

resolution to purchase land from the Chicago, Milwaukee & St. Paul Railroad for the widening of the South Menomonee Canal.

Milwaukee Notes

Henry Kloes, cashier of the First National, left this week with his wife and daughter for a short vacation at Hot Springs, Ark.

The Union Exchange National, New York, has been approved the reserve agent for the First National, Milwaukee.

The annual meeting of the Milwaukee Association of Accountants and Bookkeepers will be held in May, as decided at the weekly meeting of the association on Tuesday night.

Wallace M. Bell, veteran Milwaukee grain man and a former president of the Chamber of Commerce, is recovering from a serious operation undergone at St. Mary's hospital last week.

Corn Crop to be Short

State bankers are alarmed over the report of experts that the 1912 corn crop in the western and northwestern counties will not exceed 50 per cent of that of 1911. Worthless seed is given as the cause of the falling off, the answers to one hundred inquiries sent to as many raisers of pedigreed corn in the district asserting that the stock of high grade seed has been nearly sold out, and that there is not enough in many instances for the home demand. Most of the high grade Wisconsin seed-corn, it is said, has gone to Minnesota and the Dakotas.

Meeting of Group 2

Representatives of banks of the southern and western portions of Wisconsin, comprising Group 2 of the Wisconsin Bankers Association, will meet at Madison on April 18th.

For Improvement of Roads

Bankers throughout the state have been asked to assist in the movement for good roads to be aggressively pushed during the coming summer by the business leagues and affiliated organizations of the principal Wisconsin cities in co-operation. The towns of the state will have their first opportunity this spring, under the new state law, to vote on the question of roads and bridges with the assurance of state and county aid. The law provides that if a town wishes to vote a tax of \$400 or over for this purpose the county and state shall each provide an equal amount. This money is to be spent in permanently im-

proving a portion of the county system of highways lying within that town. The new law gives towns the opportunity of getting aid from villages and cities in building the main traveled highways, which formerly have been the greatest burden upon the town.

Wisconsin Notes

The Northwestern National Bank, Minneapolis, has been approved as the reserve agent of the Fond du Lac National.

The state's attorney-general ruled this week, in answer to an inquiry from the state bank commissioner, that a building and loan association cannot lawfully deprive minors who own stock in it from the right of voting.

Sixteen state depository banks have been required by State Treasurer Dahl to furnish new bonds, following his discovery that twenty-two sureties on bonds of these banks, qualifying an aggregate of \$1,510,000, are either dead or no longer with the banks.

SOUTH CAROLINA PLANS

Secretary Lee G. Holleman, of the South Carolina Bankers Association, is busy on his program for the Charleston convention on July 5th-6th. One feature of the meeting this year will be a steamer trip from Charleston to New York and return, and from what information Mr. Holleman can get from the members of the association it would appear that it is going to be a very popular event.

BANK HAS LONG RECORD

Sacramento, Cal.—The Sacramento Bank, the second oldest savings bank in California, has just celebrated its forty-fifth anniversary. The local institution is just five years younger than the San Francisco Savings Union, and has had a record of steady growth until today the bank has resources in excess of \$7,000,000. The Sacramento Bank commenced business on March 19, 1867. Philip Scheld, who has been president of the bank for the last fifteen years, was associated with the institution from the start. James M. Henderson, Jr., cashier, entertained the officers and employees of the bank at his home in honor of the anniversary.

Frostproof, Fla.—Gary Twinley will be cashier of McComick & Co., bankers, soon to open here.

GUARANTY TRUST TOPS LIST

The net deposits of the Guaranty Trust Company of New York, as exhibited in their statement of March 21st, just issued in response to the call of the state superintendent of banks, amount to over \$178,000,000. This total is the largest ever reported by an American trust company, and is a gain of \$22,000,000 over the figures reported by this company on the occasion of the last previous call, December 21st. Compared with the figures of the corresponding statement a year ago, there is shown a gain of over \$45,000,000, or 34 per cent in twelve months. This is a gratifying increase over the growth of the company during 1910, which amounted to \$31,000,000, or about 25 per cent, during that year. The total resources of the Guaranty Trust Company are considerably in excess of \$225,000,000.

THE MONEY SITUATION

Rates for money have contained to be about the same, although there now is a noticeable tendency toward slight advancement. Germany still is a strong bidder. Interior cities report a fair demand.

LOUISVILLE (KY.) BANK MERGER

A meeting of stockholders of the Fidelity Trust Company and the Columbia Trust Company, Louisville, Ky., has been called for April 17th, when they will ratify the plan proposed for the merger of the two institutions under the name of the Fidelity and Columbia Trust Company. The meetings of the shareholders will of course be separate. It is planned to make the merger effective May 1st.

The board of directors of the new bank will be composed of thirty-six men, and will be elected for terms of one, two, and three years, twelve being chosen for each of the periods. The legal details connected with the merger are being attended to by Judge Alex P. Humphrey and Judge A. E. Richards. The officers of the company will be as follows: John W. Barr, president; L. W. Botts, vice-president; A. Y. Ford, cashier; L. M. Render, secretary; Arthur D. Allen, comptroller; Joshua F. Speed, treasurer; J. D. Winston, assistant treasurer; Menefee Wirgman, assistant secretary; Arthur Peter, counsel for trust department; C. R. Richards, superintendent of vaults.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

JACKSON JOHNSON, Vice-Pres.
FRANK O. HICKS, Vice-President

EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, March 27.—During the past week or ten days there has been a rather sharp shrinkage in deposits with leading St. Louis banks, the average level now being about what it was at the last call for statements from the comptroller. This is due chiefly to the withdrawals by country banks, mainly in the Southwest, where agricultural needs are beginning to assert themselves. The demand for credits locally continues deadly dull. Most of the big jobbers are paying off at this time, instead of appearing upon the banking rialto as borrowers. This condition of affairs will continue well into April, and even with certain lines, up until May. General business with the jobbing gentlemen, however, is quite good. The number of buyers here during the last two weeks is well over that of the corresponding period a year ago, and while sales with some houses are disappointing, the total volume will doubtless compare well with 1911. Collections, as indicated by repayments to banks, are exceptionally fine. One banker expressed it by saying that the St. Louis wholesale houses are paying up with "disgusting promptitude." The decrease in deposits has relieved things to some extent, reducing expenses, and placing this market on a better basis. Clearings continue to hold up in excellent shape, the aggregate for the year being well in excess of a year ago, and incidentally the heaviest on record. Railroads are borrowing some money, but not quite as heavily as expected at this time, the labor situation and troubles in the coal regions having a bad effect. The demand from brokers is practically nil. Business with them has been fair, both in local and New York securities, but their own resources thus far have been able to finance their activities.

Floods and Crops

The crop outlook continues auspicious. There is much talk of damage from the floods, but the ultra hopeful look with glad eye upon the present high stage of the rivers. They say that if floods must come, and they are inevitable, owing to the great snows, better have them now, so that the moisture may roll off in time for the putting in of crops. Much of the sting is taken out of the high water if it materializes and recedes before the first of May. May and June rises are the ones that hurt.

Missouri Property Increases

An abstract of the returns of the state board of equalization, showing the valuation on real estate and personal property of Missouri, exclusive of public service corporations, places the total valuation for the present year's taxes

at \$1,597,851,263, an increase of \$50,258,964 over the preceding year's valuation. Bulk of the increase is in spots. St. Louis comes in for a big share—an increase of \$22,316,710, or within about \$3,000,000 of one-half the state's total increase. Kansas City and Jackson county come next with an increase of \$16,378,360, or nearly one-fourth. St. Louis county comes third in gains in the valuations of various classes of property, and is also third in the total valuation. The gain there is \$2,159,651, and the total valuation \$53,080,641. The four highest valuations in the state are:

City of St. Louis.....	\$66,750,000
Kansas City and Jefferson county	188,614,480
St. Louis county	53,080,641
Buchanan county	41,524,270

Banks Fall in Valuation

Some classes of personal property show losses. The banks have dropped more than \$4,500,000 behind last year's valuation; cattle have lost more than \$1,000,000, while horses and mules also show a falling off. Money, notes and bonds show an increase of more than \$4,000,000, and a similar increase is shown in the valuation placed upon corporate companies that do not come under the head of public service corporations. The heavy gain, more than \$46,000,000, is in farm lands and city lots. When the board is through with real estate and personal property, it will take up the assessment of street railway, railroad, telegraph and telephone companies. This will probably result in bringing the total valuation of the taxable property of the state up to approximately \$1,780,000,000, and will show an increase of \$62,000,000 over the 1911 aggregate.

Squad Member Enters Banking

President Walker Hill of the Mechanics-American National, has secured the services of Patrolman C. H. Smith, a member of the

Broadway squad, for house detective in his bank. Smith had for many years directed traffic at Broadway and Locust Street, in front of the Mechanics-American, and did it so well and faithfully that Mr. Hill thought he should be taken into the banking business. Besides his accomplishments as a constabulary, Smith possesses a rather imposing mein, and will fit in well with the handsome massive construction and fixtures of the banking rooms.

Inaugurates Information Bureau

The American Trust has started an information department as an adjunct to its rapidly growing business, and has installed Miss Jessie Joel, who gained her banking experience in the old Lincoln Trust Company, as its head. It will be Miss Joel's duty to direct patrons and callers generally to the right persons and places for transacting their business, and smooth out the difficulties of new customers and persons ignorant of the banking routine. "We got the idea," said President Van Riper, "at our Christmas booster club banquet, when J. C. Read, president of the National Oats Company, made an address on the viewpoint of the outsider. It was his thought that a good many persons look upon a bank as cold and heartless, and a high-and-mighty sort of a place, exclusively for the wealthy, and for that reason hesitate about opening accounts. It is true some things seem to give a basis for that idea, but American bankers are beginning to learn from those in France that the best business comes not from the very wealthy, but from the great mass of men and women who are honestly making their own way. The idea is not to have a glad-hand-shaker, but simply an intelligent person to greet customers, and impress upon them that an interest is taken in their several cases."

More Assurance Litigation

The American Bankers Assurance Company of Delaware and St. Louis has a new chapter of litigation on hand. This time the corporation is sued by the Federal Trust Company of Missouri, the action growing out of a \$86,460 stock deal. It is set forth in the petition that the Federal Trust Company in September, 1910, entered into an agreement with the Bankers Company to sell the company \$200,000 of first-mortgage securities covering lands in Washington county, Missouri. These securities were delivered, together with \$6,397.20 other securities, and in exchange the Federal Company received \$90,000 of bills receivable and stock of the Bankers Company at \$1.85 a share. It is alleged that the bankers stock was not worth over 50 cents a share, and \$75,608.10

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

United States Government Depository.

The National Stock Yards National Bank
National Stock Yards - Illinois

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August Belmont & Co.
AUGUST BELMONT, Jr.
August Belmont & Co.
DANIEL J. CARROLL
Pres. Alberene Stone Co.
P. S. DU PONT
Treas. E. I. Du Pont de Nemours Powder Co.
DESMOND DUNNE
Pres. Desmond Dunne Co.
ELLIS P. EARLE
Pres. Nipissing Mines Co.
O. G. FESSENDEN
Hayden W. Wheeler & Co.
ELBERT H. GARY
Chairman of the Board
U. S. Steel Corporation
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Vice-Pres. & Treas.
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GEORGE M. HARD
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AUGUST HECKSCHER
Vice-Pres. Eastern Steel Co.
RICHARD H. HIGGINS
Vice-President
FRANKLIN S. JEROME
Pres. First Nat'l Bank,
Norwich, Conn.

Capital and Surplus
\$3,000,000

THE
CHATHAM
AND
PHENIX

NATIONAL
BANK
New York

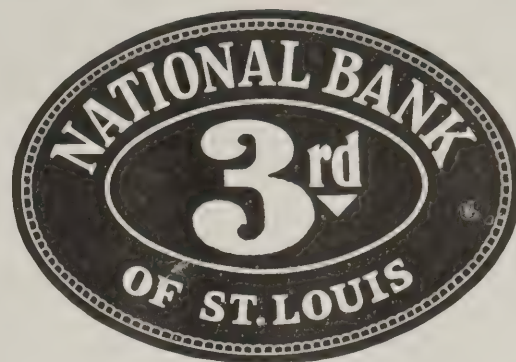
LOUIS G. KAUFMAN, President
FRANK J. HEANEY, Vice-President
WILLIAM H. STRAWN, Vice-President
BERT L. HASKINS, Cashier
HENRY L. CADMUS, Assistant Cashier
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JOHN RINGLING
Ringling Bros.
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Shearson, Hamill & Co.
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ALBERT A. TILNEY
Harvey Fisk & Sons
FR'D K'D. UNDERWOOD
Pres. Erie Railroad Co.
JOHN D. VERMEULE
Pres. Goodyear Rubber Co.
SAMUEL WEIL
Samuel Weil & Son
FRANK S. WITHERBEE
Pres. Witherbee,
Sherman & Co.
JOSEPH H. WRIGHT
Pres. U. S. Finishing Co.



CAPITAL
\$2,000,000

SURPLUS
\$2,000,000

DEPOSITS
\$35,000,000

C. H. HUTTIG - - - President	T. WRIGHT - - - Vice-President
G. W. GALBREATH - - - Vice-President	R. S. HAWES - - - Vice-President
J. R. COOKE - - - Cashier	H. HAILL - - - Assistant Cashier
D'A. P. COOKE - - - Assistant Cashier	E. C. STUART - - - Assistant Cashier

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Available Everywhere

Your own Banker can supply them

KNAUTH, NACHOD & KÜHNE, Bankers
NEW YORK LIEPZIG, GERMANY

is asked for the difference in price. The rest of the claim is for an alleged failure to realize on the bills receivable. The Bankers Assurance Company entered its appearance in the suit.

United Railways Bonds

The third of the underlying bond issues of the United Railways Company of St. Louis to be renewed has, according to an announcement just made, been purchased by a syndicate of St. Louis and New York brokers. This issue covers the Cass Avenue and Fair Grounds line and amounts to \$1,813,000, the date of maturity being July 1, 1912. On renewal the interest is to be reduced from 5 to 4½ per cent. The purchasing syndicate is composed of Fanshaw & Co., New York, the Mercantile Trust Company, A. G. Edwards & Sons, the Mississippi Valley Trust Company, and Francis Brother & Co., of St. Louis. The terms of the deal have not been made public as yet. There has been a heavy demand for the issue, and it is understood that the terms are advantageous to the railways company.

Claims Against Dodd Estate

Claims aggregating \$595,565 have been allowed against the estate of Samuel M. Dodd by the St. Louis probate court. Mr. Dodd, who died last month, was head of the Wagner Electric Company, and director in a number of local banks and business enterprises. The claims consist of notes, said to have been given for borrowed money. One of the notes for \$325,000 is held by the American Central Insurance Company, and another for \$180,000 made to the National Bank of Commerce. A third note for \$100,000 is held by the St. Louis Union Trust.

Jas. G. Wakefield

James G. Wakefield, assistant cashier of the Corn Exchange National of this city, has been confined to his home for about a month on account of illness. He does not expect to resume his duties at the bank for about two weeks.

DISCUSS SEGREGATION OF SAVINGS DEPOSITS

A meeting of twenty or more bankers, representing the states of New York, New Jersey and Pennsylvania, took place last week at the headquarters of the American Bankers Association in the Hanover Bank Building.

The conference was held under the auspices of the law committee of the A. B. A. and follows several meetings that have been taking place in different parts of the country bearing on the segregation of savings deposits in commercial banks and legislation affecting the investment of such funds.

No particulars in regard to the meeting were made public, as it is designed to assemble all information on the subject before drafting the final recommendation to the association. Pierre Jay, vice-president of the Bank of the Manhattan Company, is chairman of the committee, which includes John F. Hagey, assistant cashier of the First National Bank of Chicago; Isaac H. Orr, trust officer of the St. Louis Union Trust Company; Lynn H. Dinkins, president of the Interstate Trust and Banking Company of New Orleans, and Thomas B. Paton, general counsel of the A. B. A. Meetings have already been held at St. Louis, Chicago, St. Paul, Des Moines and Louisville.

NATIONAL BANK DECISION

Philadelphia.—Much interest has been aroused by the decision of Judge Kunkel, of the Dauphin County Court of Common Pleas, to the effect that national banks holding checks of a trust company cannot claim the preference of depositors in the event of liquidation. The decision was given in the case of the failed American Trust Company, of this city. The national banks concerned were the Franklin, Corn Exchange, Manufacturers, Market Street, Philadelphia, Northwestern and Fourth Street. These banks held checks drawn on the trust company by depositors and upon presentation to the trust company for payment the latter gave its own checks on another bank. The court held that the national banks did not thereby become depositors of the trust company within the meaning of the law.

BRIGHT OUTLOOK FOR THE SOUTH

Baltimore.—Baltimore bankers are advised by correspondents that the outlook for business in the South this year is bright. The cotton crop is several weeks late in being planted in the Southeast, owing to the excessive and prolonged rains, but planters say the soil is in splendid condition because of the abundance of moisture, and that a big acreage will be sown.

WOODLAWN TRUST AND SAVINGS BANK

Woodlawn Trust and Savings Bank has declared the usual quarterly dividend of 2½ per cent. to be paid to stockholders of record March 30th.

Editorial Comment

THE PACKERS' TRIAL

The packing interests of this city and the men who conduct them have been, at the end of a prolonged and exhaustive trial prosecuted by the United States government, declared "not guilty" of any violation of the law. No higher tribute as to the character of the packing officials can be conceived. The government has shown that it can force to trial the most formidable of her citizens and the most potential of her industries. The jury system has been vindicated in that neither prejudice nor the "high cost of living" entered into the consideration of the twelve men who sat patiently for weary weeks to try the issue. Able attorneys contended skillfully without any but legal friction, and the dean-of-counsel, John S. Miller, again has shown his matchless ability and unflinching tact. Wilkerson and Sheean did their duty beyond the reach of criticism, but the packers were not proved guilty and wisely put in no defense.

Her business interests now beg the government to give Chicago a rest. Further pursuit will be persecution, and many think that point passed long ago. This city congratulates her big, busy packers and wishes the government substantial success in all cases where offenses can be shown.

TREATING THE GROUPS UNFAIRLY

There has been received at this office a communication from a banker, well known all over Illinois, voicing a mild protest at what he considers unfair treatment of the various state groups by the Illinois Bankers Association. The substance of what he has to say on the matter is contained in the following extract from a letter dated at Decatur:

I attended the annual meeting of the members of Group 7 held at Sullivan, Wednesday, March 20th, and was very much surprised at the action of our secretary, Mr. Crampton, of Chicago, in presenting a resolution which, after much hesitation on the part of the membership, finally was adopted, relating to the funds of the group. It was understood when these groups were started that one dollar per capita was to be set aside from the annual membership dues, for the benefit of the group. I am reminding the officials of the association that only last year the membership dues were increased, and now comes our secretary and asks to have one-half of the one dollar per capita voted back to the control of the secretary's office. This does not look right to many of us, and even though as a result of some of the towns not using this fund for entertainment purposes, it does not look right to take it from the treasury of the group. An emergency might develop whereby these funds would be of great advantage to the preservation of the groups, and I hope the matter of their control will be continued within the groups.

So far as this office is concerned, it has no knowledge of any unusual condition in the affairs of the Illinois Bankers Association

The Chicago Banker

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

which would render it advisable or necessary to ask for a refund from the various groups of the funds to which they are entitled both by the state constitution and by agreement. The fact that a group may not have used all of its funds within the time specified is a good argument in favor of the money safely remaining in the custody of the group. It is likely, however, that the executive council, the committee of administration (or perhaps the higher officials) have directed the return of this unexpended balance by request. The matter has not been discussed or passed upon at any public meeting of which we have any knowledge, and it is inconceivable that Secretary Crampton would, upon his own mo-

tion, ask for a transfer of this money back to his control, no matter what the prospects of putting it to good use might be. There have been rumors that the net income of the association has been falling off in spite of the increased dues and increasing membership, which, no doubt, can be accounted for by the judicious expenditure of the money. If the question raised by the Decatur banker in the paragraph quoted above has not been passed upon in advance by the proper authorities within the association it probably will be as a result of the meeting at Sullivan. Nothing short of a vital emergency in the affairs of the association should be accepted as a reasonable cause for requesting a refund from the groups. Their officers have gone ahead and recruited the membership—in some cases to almost 100 per cent of efficiency. Every member appointed has been told of the allowance made by the state association for the conduct of the business and entertainment of the groups. To then ask that this money be returned without previous notice or adequate discussion is a matter which should not be considered lightly.

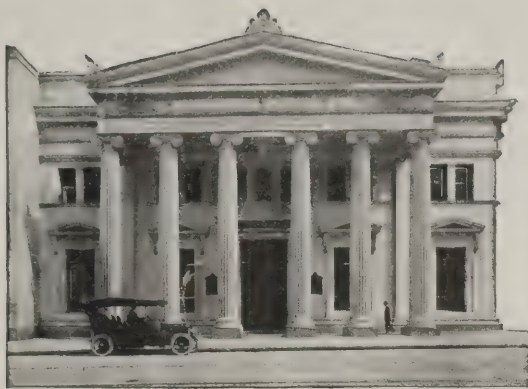
SMALL BANKS IN OUTLYING DISTRICTS

There seems to be a great diversity of opinion among financiers of this city as to the advisability of continuing to permit the organization of small state and national banks in the outlying districts of large cities. Those opposing such a practice contend that bankers of this class frequently are devoid of business experience and often lack a very high degree of financial responsibility; that since the system of clearing house examination of banks in Chicago has been established it has been possible to keep the principal banking institutions up to a high standard of efficiency; that it also has been possible to correct some of the more dangerous methods formerly employed by some of the smaller banks; that in times of financial crises the smaller banks are the first to feel the disastrous effects. Those advocating the adoption of such a plan argue that charters to small banks have been granted only where the communities they intended to serve were not supplied adequately with banking facilities, and, in the case of national banks at least, on the express condition that all the provisions in regard to resources and other requirements of the national banking act be complied with strictly. A national bank which is permitted to organize with a capital of but \$50,000 is not allowed to move such bank into the metropolitan districts without first complying with the requirements followed by other banks in those districts. Another advantage to be derived from such a plan is that private institutions may be induced to place themselves under the supervision and control of the state or federal gov-



L. L. EMMERSON
MT. VERNON, ILL.

ILLINOIS has two banker candidates on the republican side, seeking the nomination for state treasurer at the primaries on April 9th. They are L. L. Emerson, of Mount Vernon, one of the best known among the down state bankers. The other is Andrew Russel, of Jacksonville. Mr. Emerson is making his first campaign, in his own behalf, although he has been chairman of his own county committee for eight years, and at present is a member of the republican state central committee. The contest between Russel and Emerson is friendly, and bankers are only sorry they both can't have it.



The Northwestern National Bank

And its affiliated institution

The Minnesota Loan and Trust Company

Are in a position to give to their customers and correspondents every form of legitimate financial service. Scientific organization and management combine to make this service complete in every detail of efficiency.

Combined Resources over Thirty-Six Millions

ernment, thereby reducing to a minimum the opportunity of carrying illegitimate investments, etc. The opposing element suggests that the law permit large downtown banks, with large capital, to establish branch banks in the outlying districts, thus obviating the necessity of smaller institutions with little or no financial responsibility.

THE PLOT THAT FAILED

Booklets on "the Lorimer case," by Frederick Upham Adams, writer uplifter, have been distributed by the Edward Hines Lumber Company, of Chicago. If you did not receive them write or telephone for copies. They are free and deeply interesting. What Mr. Adams does to Herman H. Kohlsaat and Clarence S. Funk doesn't happen twice in a lifetime. You will enjoy every line of "The Plot that Failed," if you have any red blood in your veins.

LETTER TO MEMBERS OF CONGRESS

President B. F. Harris of the Illinois Bankers Association, and as chairman of its committee on agriculture and vocational education, has addressed a strong letter to the members of congress, both senators and representatives. He has made a strong, logical appeal on behalf of the bill providing for federal field and farm demonstration work throughout the country. The letter informs the members of congress of all the work which has been done, and what the agricultural colleges are doing. He goes into statistics showing the benefits which may come from a small expenditure of money along the lines provided for in the McKinley Bill. He calls the attention of the congressmen to the fact that the government is assisting the farmers in nine of the southern states and that it is providing prize and expense money for boys' corn clubs all over the South without doing anything to help the boys of the North and Northwest, or for that matter, in any part of the North. No member of congress who will take the time to read this two-page letter can plead in the future that he was not informed on the matter.

LARGE GAIN IN DEPOSITS

Net deposits of the Guaranty Trust Company of New York, as shown by its statement of March 21st, amount to more than \$178,000,000. This is the largest amount ever reported by an American trust company, and is a gain of \$22,000,000 over the figures reported December 21st.

David R. Forgan

Following is from David R. Forgan, president of the National City Bank and president of the Taft Club of Illinois: "In the light of Col. Roosevelt's Chicago speech the fact that stands out most prominently of all is, to my mind, this: He has shown himself to be the poorest kind of a loser. From the inception of his candidacy Col. Roosevelt and his supporters have been crying for presidential primaries. Such primaries have now been held in four states. In every one they were duly authorized primaries, with the law's safeguards thrown about them. In every instance Roosevelt and Rooseveltism have suffered decisive defeats. Now Mr. Roosevelt raises the cry of fraud and calls these primaries 'criminal farces.' It seems to me that such a cry comes with poor grace from such a man as Col. Roosevelt. He has shown himself, above all else, to be a poor loser. Another thing that strikes me as peculiar is the fact that Roosevelt persistently avoids a discussion of the issues of the day before the American people. He ignores the tariff, the peace treaties and other questions. He contents himself with crying fraud in the primaries. I do not believe he is making friends for himself by such a course of action."

EDENS ON EDUCATIONAL COMMITTEE

Urbana, Ill.—W. G. Edens of Chicago was appointed a member of a committee of bankers and educators which will draft a bill providing for vocational education in the state, such training to include a study of agriculture.

AGRICULTURAL AND EDUCATIONAL CONFERENCE

The conference called by B. F. Harris, president of the Illinois Bankers Association, and chairman of its committee on agriculture and vocational education, met in the rooms of the college of agriculture of the University of Illinois at Champaign on Tuesday, March 26th. Besides the bankers committee, the other four members of which are W. G. Edens of Chicago; C. R. Pendarvis of Media; Irving Shuman of Sullivan, and Charles C. Craig of Galesburg, the following gentlemen were present: Edmund J. James, president of the University of Illinois; Eugene Davenport, head of the agricultural college of the university; Theodore Sexauer, head of the department of agriculture and associated with the high school at Albert Lea, Minn.; F. M. Leavitt, chairman of the Illinois State Teachers Association and professor of industrial education at the University of Chicago; R. E. Hieronymous, state educational commissioner, Eureka; W. L. Steele, superintendent of public schools, Galesburg; David Felmley, president of the Illinois State Normal University, Normal; J. H. Collins, superintendent of public schools, Springfield; T. B. Burgess, Bradley Polytechnic Institute, Peoria; and Francis G. Blair, superintendent of public instruction, Springfield. Prof. Rankin of the Illinois College of Agriculture also attended the meeting.

The conference was called by selecting Mr. Blair as chairman and Mr. Edens as secretary. Mr. Harris made a brief statement to the members of the conference, explaining the reason for calling the gentlemen together, and stated that through action taken at the convention of the Illinois Bankers Association, a committee on agriculture and vocational education had been created and encouraged by the membership throughout the entire state to assist in the promotion of the work of agricultural development and education; and furthermore, that the bankers, through their committee, would be glad to assist in bringing about the framing of an adequate and comprehensive bill. It developed that the educational commission already had selected a legislative committee, and tentatively had agreed on a program which they proposed to recommend to those interested in the teaching of agriculture, manual training and domestic science in the established schools of the state; but as this would involve additional equipment, and a specially-trained teaching force, the whole matter would depend upon the action of the legislature in restoring the two-mill tax. Dean Davenport introduced to the conference. Theodore Sexauer of Albert Lea, Minn., associated with the high school at that place, stated

(Continued on page 28)



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Money Circulation.....	2,055,000,000	3,180,000,000	54%
Savings Bank Deposits ..	2,389,000,000	4,070,486,000	70%
National Bank Deposits ..	2,458,000,000	5,287,216,000	115%
Bank Clearings, U. S.	84,582,000,000	158,559,487,000	87%
Bank Clearings, N. Y.	51,964,000,000	99,257,662,000	91%

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	1900	1910	Per Cent Increase
Capital.....	\$ 300,000	2,000,000	566%
Surplus and Profits	100,900	1,797,900	1681%
Deposits.....	3,446,500	28,360,200	722%
Assets.....	4,108,800	33,347,200	711%

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Private Banking Situation in New York State

New York, March 27.—Your correspondent has had access to the official reports returned for March 1st to the state's private banking department at Albany by the private bankers of the commonwealth. The sworn figures of their business show profits that would make the president of a million-dollar national bank envious. Most of these licensed private bankers are Italians or Slavs, who are agents of steamship lines and make a business of transmitting money for foreign-born laborers back to friends in Europe. Incidentally they take deposits of savings from the same class of ignorant folk. In the past, men engaged in these same activities got a bad name for trickery and bare-faced fraud on the people who trusted money to them. They charged exorbitant prices to send money across the ocean. They used the deposits, it has been charged, in stock or real estate speculation, and if they lost, browbeat their depositors, who seemed unable to get redress from police and courts. If they won, the depositors might get their money back, if they applied in time.

It had even been said that these supposedly little private bankers of foreign name were the real bosses in an extensive padrone system in which Italian and Slav laborers were mulcted of much of their earnings through a combination of swindle and payment for jobs, and very lately it has been charged that some of these "bankers," through a commission arrangement with the foremen of gangs on big construction jobs all over the country, and in shops at Pittsburgh and elsewhere, got thousands of them to buy plots of worthless real estate at greatly inflated prices on the installment plan on threats of discharge, most of which was forfeited because of failure to make complete payment. By various pretexts these "bankers" got the money of their compatriots. Finally, the thing went so far that the Sullivan bill was passed, becoming effective in May, 1910, forbidding any person in New York City, Rochester or Buffalo to accept deposits or transmit moneys excepting as officers of chartered banks or as "licensed private bankers."

The latter, in addition to the payment of a fee, must deposit \$10,000 in bonds or cash with the comptroller at Albany, and give a fidelity bond from some surety company guaranteeing the honest handling of deposits or money given for transmission to Europe. They must also make sworn reports four times every year showing the condition of their business, and false statements in these reports are, by the law, made perjury. However, private bankers who deposit \$100,000 in bonds with the comptroller need not make the reports, this provision being of convenience to the big investment and brokerage houses of Wall Street who would otherwise be compelled to disclose important confidential transactions. Several well-known old private houses which still do a commercial banking business without chartering do not care to tie up \$100,000 in bonds and make the reports with the small \$50,000 licenses.

It is said by a man whose connection with a society that tries to protect immigrants from the various kinds of fraud practiced upon them brought him in touch with the activities of the steamship agent bankers before the law went into effect that there are still many of them doing business without a license, and that some of the most dangerous have found ways of avoiding the law.

The March 1st reports, somewhat condensed, are compiled in the table given below. The list contains all the licensed bankers. Even with the conservative figures of the large houses that do regular commercial banking counting in, the totals are startling. They show real estate holdings twice as big, in value, as deposits, and six times as large as the cash reserves and deposits with national and state institutions. Some of the significant totals of the compilation follow:

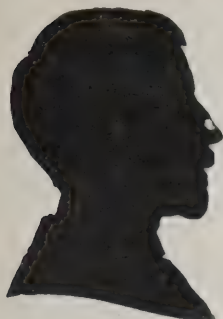
Total assets (42 banks).....	\$8,743,793
Capital and accumulated profits....	3,574,398
Debts: Liabilities other than capital and accumulated profits.....	5,169,621
Real estate holdings:	

Reported at market value..... 4,545,917

Reported at latest assessed value	\$3,007,172
Net income on holdings.....	121,767
Stocks and bonds owned.....	1,114,145
Loan, including mortgages held, bills receivable, and accounts receivable	2,090,680
Deposits.....	2,539,703
Due to banks and bankers.....	479,430
Due on bonds and mortgages.....	1,895,217
United States money on hand.....	217,509
Foreign money on hand (value)...	304,140
Due from national and state banks, etc.	592,013

The individual reports show bankers who make oath to real estate holdings nearing half a million dollars in value, whose deposits are placed at only a few thousand, and whose reserves, consisting of a few hundred dollars in cash and a personal account at some state or national bank of less than ten thousand dollars, do not together amount to more than a small percentage of reported debts. On the other hand, the combined figures of twenty small "bankers" who report big real estate holdings show such a high percentage of reserve against deposits that, accepting the sworn statements at face value, the money-getting acumen of these men is something wonderful. Twenty bankers report real estate holdings aggregating \$4,108,310. \$3,632,543 of this in New York state. They report total assets of \$6,548,858 and debts—the liabilities other than capital and accumulated profit—of \$3,473,413. They swear to \$1,440,270 of deposits—\$1,316,066 on pass-book accounts—\$88,869 in U. S. currency on hand, \$24,377 of foreign currency at U. S. money value, and \$454,306 of personal accounts in state or national banks or trust companies; making a total available reserve of \$478,683. This is a reserve of over 33 per cent. Clearing house banks in New York carry only 25 per cent as a rule. The \$3,075,445 of capital and accumulated profits—a large part obviously held in the form of real estate—is an impressive aggregate of gains, considering the size of the business.

National banks are forbidden to own real estate, and they cannot even loan upon it.



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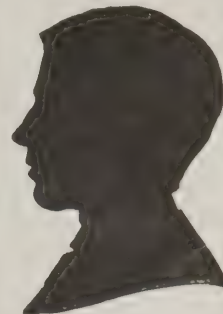
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New York state banks can loan only to 15 per cent of their total resources upon real estate. It is not regarded as conservative commercial banking to have funds tied up in such unliquid form, even when the value is above question. Recently the superintendent of banking ordered all state banking institutions to report the total market value of their real estate holdings and the amount of mortgage liability against them, also the holdings of real estate securities, the purpose being to bring out the exact liability status of the banks in this regard, the practice before that being to report, as real estate owned, only the bank's equity in its holdings.

From the point of view of ordinary commercial banking, therefore, the real estate holdings of the average licensed private banker in New York City are rather high, and it might be considered dangerous to the safety of depositors for bankers doing a private business, with their private resources attachable along with the moneys they hold for customers in case of trouble, to go heavily into speculative ventures. It would appear from the figures that the transactions in realty, as conducted by these men, are highly profitable to them.

The individual reports, going into many details of business activities, tell of interesting phases of the banking of the licensees. Some of them apparently serve small business men of their neighborhoods, who do not have bank accounts of their own, by indorsing their notes and getting them discounted. Others conduct stores of their own and report stocks of goods of considerable value. One reports as assets \$25,000 worth of the stock of a Slav newspaper. Well-managed Scandinavian and Magyar establishments that combine all kinds of services for immigrants and aliens going back to Europe, including exchanging foreign money, furnishing lodgings, selling clothing and merchandise, and arranging for transportation, give figures that demonstrate that honestly conducted industry of this kind pays. Some of the men who do a flourishing business in sending money to Europe advertise extensively and with a touch of genius in foreign papers all over the country, and have developed banking connections and systems so that, with the use of only one code word for each separate transaction, they can, at the end of the day, cable money orders payable to a dozen different persons. One of these steamship agents reports foreign currency in his office on March 1st worth a round quarter of a million dollars in United States coin.

The Sullivan law, as it stands upon the books to-day, contains a paragraph reading: "Nothing in this article contained shall be construed to require the comptroller to make any inquiry or examination as to the responsibility or solvency of any applicant for a license or of any licensees hereunder."

The private banks make their sworn reports, therefore, but are not examined by the comptroller's office as the chartered institutions are by the banking department. The

comptroller may take steps to satisfy himself of the truth of the statements made, in his own discretion, and the law provides that misstatements shall be held by the courts to be perjury.

BOUGHT LITTLE ROCK STATE NATIONAL

W. H. Garantlo, president, and R. D. Duncan, cashier of the State National Bank of Little Rock, Arkansas, recently purchased a large block of the capital stock of that institution from the Bankers Trust Company of St. Louis, which gave them the controlling interest. These two gentlemen are the active officers of the bank and devote their undivided attention to its business. The deposits are around two millions based on capital and surplus of \$560,000.

BANK TELLERS LEARNING BAD \$5 GOLD PIECES

Bank employees in Minneapolis who handle money are having special instruction in detecting counterfeits. Samples of the counterfeit \$5 gold pieces which are gaining in circulation in Minneapolis are being shown to each teller to teach him the points of detection. The bankers say the new counterfeit is an excellent imitation which takes some examination to detect it. The counterfeit is lightweight, more yellow than the genuine piece, and has several mechanical flaws. Secret service men are collecting the coins as they are presented at the banks for deposit and are looking for the plant by which they are turned out.

MICHIGAN STATE BANKS SHOW BIG GAIN

Lansing, Mich.—The abstract of reports of Michigan banks and trust companies made at the close of business February 20th to the state banking department, and made public last week by Commissioner E. H. Doyle, shows a gain of \$9,145,709.58 in the aggregate business of state banks since the last published report of December 5, 1911.

This increase is remarkable, coming during the winter months when railroad traffic was greatly interfered with by the worst snowstorms ever experienced in the history of the state. The prosperity of Michigan is evident, for during the past year the resources of the state banks have increased over \$40,000,000, of which \$37,742,863.47 is an increase in deposits, while \$2,826,047.08 is increased capital stock of state banking institutions. Total increases in loans to business enterprises in the state during the past year are \$30,131,665.07. The reserves carried by Michigan state banks February 20, 1912, were \$67,201,650.90, or 22.04 per cent. These reserves are \$19,165,738.45 over and above the requirements of the banking law.

Since January 1, 1912, seven banks have increased their capital stock to the amount of \$870,000.00. Four new banks with a combined capital of \$162,500.00 have been organized. During the same period two banks were consolidated with other banks, and the State Savings Bank of Benton Harbor was converted into a national institution. It will be seen that the department has approved applications to organize five new state banks, with a combined capital of \$105,000.00.

During the special session of the legislature the state banking law was amended, allowing state banks to pledge certain assets for the purpose of securing postal savings deposits. This amendment will take effect June 19, 1912, and will place the state banks on a par with the national banks in securing their share of postal savings deposits.

PLANS FOR MINING CONGRESS

Spokane, Wash., March 23.—Governors of Washington, Oregon, California, Alaska, Nevada, Arizona, Texas, Oklahoma, New Mexico, Utah, Colorado, Wyoming, Idaho, Montana, North and South Dakota, Minnesota and other states will be invited to deliver addresses and participate in the discussion of the public land and utilities question at the annual meeting of the American Mining Congress in Spokane the last week of November. Arrangements are being made for 5,000 delegates and visitors. The Spokane Mining Men's Club will ask the congress to indorse its plan to demand payment in gold or silver when checks are cashed at banks. The West is purely a hard money country, it is urged, and the government is said to be attempting practically to demonetize metal by making the banks pay high express rates on silver and gold coined at the mints.

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

"I have been saying some highly complimentary things about the beautiful snow," said Walton H. Holmes, president of the Pioneer Trust Company of Kansas City, as he gazed out of his window at a blizzard that raged with uncompromising ferocity, "but there is such a thing as getting too much of even such a blessing as snow. The farmers are now impatient to get into their fields. There is a great deal to be done and a comparatively short time to do it. The present spring will be late, but there is every indication that crops will be splendid. The ground is in the best possible condition for wheat and the spring crops and a very few days of sunshine will start agricultural activities at top speed." One of the real optimists of the Central West is Thornton Cooke, vice-president of the Fidelity Trust Company of Kansas City, who keeps in very close touch with conditions. "The feeling of the people of this community is one of supreme confidence," said Mr. Cooke to THE BANKER. "I believe that the upturn is at hand and that the period of liquidation has passed. That seems to be the general impression among bankers and business men in this part of the country. Within my memory there has never been a more promising outlook for business than right now."

R. L. McCabe of Columbus to Make Speaking Tour of Southwest

Secretary Charles M. Harger of the Citizens League of Kansas is arranging speaking dates for R. L. McCabe, of Columbus, O., who will make a tour of the Southwest to talk on sound banking. Already several dates have been fixed and Mr. Harger is in communication with commercial clubs and other organizations which are anxious to entertain Mr. McCabe. From Kansas the lecturer will go to Oklahoma and may continue his tour to Texas.

Oklahoma Bank Guaranty Law

The most vexing question which has grown out of the enactment of the Oklahoma bank guaranty law concerns the liability of national banks to pay assessments on state banks which they absorb or which they have succeeded. The issue has been contested in various state courts and several phases of the matter have come before the United States supreme court, but still the plaintiffs are fighting in the lower federal court on the general question of the right of state boards to levy on national banks or take their property without due process of law. The two banks most directly affected by recent decisions are the National Bank of Commerce of Tulsa, which succeeded the State Bank of Commerce, and the First Na-

tional Bank of the same place, which took over the Bank of Oklahoma of Tulsa. Both banks are being sued for about \$3,000 by the state banking board. More than fifty other banks in Oklahoma are interested in a similar way and the total sum which the state board seeks to recover from the nationalized state banks amounts to more than half a million dollars. The latest decision comes from the federal court of the western district of Oklahoma, which affirms the right of the board to collect the assessments, holding that the assessments are neither confiscatory nor without due process of law, and that the supreme court of Oklahoma, having upheld the law, the lower federal tribunals no longer will assume jurisdiction of suits attacking the same. When the Oklahoma bank deposit guaranty law was passed many state banks considered the assessments burdensome and as a measure of protection dozens of these state banks nationalized or consolidated with national banks. This left various judgments hanging fire and these judgments to-day represent the claim of the state against the defendant national banks.

Oklahoma State Banks

Individual deposits in Oklahoma state banks have fallen off to the amount of \$1,712,381 since the report of December 5th last. State Bank Commissioner J. D. Lankford has issued a consolidated report showing the condition of the Oklahoma state banks at the close of business on February 20th. On December 5th, the date of the last consolidated statement of the Oklahoma state banks, 633 banks reported and showed individual deposits of \$41,104,162, while for February 20th there were 628 banks reporting which showed individual deposits of \$39,391,780. With the decrease in the number of banks there is a corresponding decrease in the capital stock. With the December report there were \$9,991,750 capital stock paid in and the February 20th report shows \$9,841,750, which is natural under the circumstances. The average reserve held is 38 per cent.

Companies May Affiliate

Negotiations are pending for the affiliation of the American Bankers Assurance Company of Dover, Del., with the Western Casualty and Guaranty Company of Dallas, Texas. A committee of the former company has been appointed to investigate the Western company's affairs and a report will be made April 16th. R. P. Wofford, cashier of the Commonwealth National Bank of Dallas, has represented the Western company in the negotiations. The proposition is for the taking over of \$300,000 or more of the Texas concern by the American

company. The Texas company was organized about three years ago with an authorized capital of \$2,000,000 and paid up capital of \$1,400,000 and has a surplus and undivided profits of \$1,100,000. It does a money-lending and trust company business without demand deposits. The officers of the company are: President, J. W. Wofford; first vice-president and general counsel, George A. Carden; second vice-president, J. H. Gaston; third vice-president, S. E. Moss; treasurer, John W. Wright; secretary, E. D. Kinnebrew.

State Banking Board Responsible for Official Acts of Bank Commissioner

A decision in the circuit court at Oklahoma City last week doubtless will have important effect in limiting the liberty of action of the Oklahoma state bank commissioner. It was held that the state banking board is responsible for the official acts of the bank commissioner, and the suit was that of Galvin T. Chambers against the commissioners to regain possession of \$100,000 collateral of the Southwestern Mortgage Company, of which he is receiver, given to the Columbia Bank and Trust Company as security on notes for \$40,000 before the latter failed. Bank Commissioner J. D. Lankford sold the notes but retained the collateral. Chambers now asks for the return of the collateral or judgment against the bank guaranty fund. Attorneys for the board contended that suit should have been brought against Lankford's bondsmen, but the court held that the board was responsible. This decision puts an entirely new construction upon the relationship between the banking board and the bank commissioner.

Nebraska National at Omaha

The remodeling of the Nebraska National Bank of Omaha has been completed, and the public is invited to inspect the quarters. The front office, formerly assigned to President Yates, has been fitted up for a consultation room and Mr. Yates has moved his desk out to the head of the bank room. Cashier Shepard and Vice-President H. W. Yates, Jr., have their desks out in the open also. The changes give the public a greater space and also afford better facilities for the officers and employees of the bank to do their work.

Central West Notes

President C. Q. Chandler, of the Kansas National Bank, Wichita, Kan., is making more than a local reputation as a public speaker. Of late he has taken much interest in the Men and Religion Forward Movement and has made a series of addresses in Oklahoma.

The Nebraska banking board has appointed F. C. Hannaford, of Grand Island, bank exami-

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ner in place of H. C. Nicholson, of Omaha, who resigned to be national bank examiner. Hannaford is at present assistant cashier of the First National Bank of Grand Island and has been in the banking business for twenty-three years.

The attorney-general of Texas will pass upon the validity of the \$400,000 bond issue of Grayson county for improvements in the Sherman district within a few days. This is a very attractive issue to investors.

While the cashier of the State Bank of Gary, Texas, was in the bank vault one day last week, someone entered the building and closed the vault door. The visitor took a package containing \$2,000 in currency and left without leaving a trace. It was an hour after the robbery before the cashier was released from the vault.

Alva, Okla., has just voted favorably on a proposition for \$55,000 in bonds to pipe fresh water five miles from wells. The bonds will be issued at once.

J. L. Reynolds, until recently cashier of the State Bank of Calumet, Okla., has pleaded guilty in the district court at El Reno to the charge of embezzlement, and was sentenced to one year in the penitentiary. He converted \$3,600 to his own use.

E. G. Dovey, assistant cashier of the First National Bank of Plattsmouth, Neb., was taken suddenly ill in the bank one day last week. He was removed to a hospital, where an operation for appendicitis was performed and his condition is now very favorable.

The First National Bank of Canyon, Tex., has bought the Canyon National Bank and the transfer will be made April 10th. The First State Bank will move into the building vacated by the Canyon National.

The First National Bank of Hutchinson, Kan., will move into its new building some time in April. This will be one of the most beautiful banking rooms in the West. The woodwork is all in solid mahogany.

R. F. Scott, president of the First National Bank of Paris, Texas, has bought the Turner hotel at Muskogee, Okla., which was built in 1905 by Governor Haskell.

All the banks in Waco, Texas, closed one day last week in honor of D. S. Edins, who died March 17th. Mr. Edins was president of the Exchange National Bank of Waco and also president of the Waco Clearing House Association.

Fred C. French, cashier of the First National Bank of Hutchinson, Kan., recently came across a relic of the old "wild cat" banking days, still in circulation. It was a one dollar bank note issued by a bank in New Brunswick, N. J., in the days before the war. It is in a good state of preservation and Mr. French will keep it.

The Texas banking board has granted a certificate of authority to the First State Bank of Rio Hondo, Cameron county, capital stock \$10,000.

On January 31st, 1912, there were 222 postal savings banks in operation in Texas, with deposits amounting to \$207,000. This amount was deposited by 3,564 depositors, an average of \$58 per depositor. Since the opening

of the postal savings banks in Texas, there have been 4,058 accounts opened and 12,028 deposits.

W. E. Tally, vice-president of the Bankers Trust Company of St. Louis and former president of the State Savings Bank of Springfield, Mo., will leave St. Louis about June 1st and return to Springfield to make his future residence.

F. S. Westfall, former banker of Sapulpa, Okla., who was sentenced recently at Oklahoma City to serve one year in the penitentiary with a fine of \$500 on a charge of making false statements to the state bank commissioner, will serve his sentence.

I. A. Vant, president of the Stockyards

Bank at St. Joseph, Mo., attended the big live stock meeting at Fort Worth, Texas. He was much pleased with the reports he received from cattle raisers.

Springfield, Mo., is to have another bank, making its sixteenth, as soon as a location can be found on South Campbell Street. T. J. Sullivan, who recently moved to Springfield from Keefer, Okla., is organizing the institution, which will have a capital of \$50,000. Mr. Sullivan has been in the banking business for several years and recently was cashier of the State Bank at Keefer, and was also interested in a bank at Tulsa and another at Preston, Okla.

A loan and trust company is being organized in Fort Worth, Texas, by John Scharbauer, cattleman and capitalist, who will be its president. The company will have a capital of \$2,000,000 and will be called The Bankers Guaranty Company. While the headquarters of the company will be in Fort Worth, it is planned to establish a number of branches in other cities of Texas. The specialty of the company will be loans on land and cattle.

State banks of Texas that have increased their capital stock recently are: Rochelle State Bank, Rochelle, from \$15,000 to \$20,000; the First State Bank of Donna, Hidalgo county, from \$10,000 to \$12,000; the First State Bank of Mission, Hidalgo county, from \$12,500 to \$16,000; the Guaranty State Bank of Lindale, from \$10,000 to \$20,000.

The longest trade-getting trip ever undertaken by the merchants of Wichita, Kan., will be made this spring. The special train will be sent over the roads to the Southwest, covering all of northern and western Texas, western Oklahoma and all of New Mexico. The route will be fully 2,000 miles long and the start will be made late in April.

The following reserve agents for state banks have been approved by the Texas department of insurance and banking: For the Bank of Commerce, Sinton; the City National, Galveston; for the Continental State Bank of Groesbeck, the Seaboard National, New York City; for the State Bank and Trust Company, Tyler; the City National of Dallas; for the Elkhart Guaranty State of Elkhart, the Guaranty State Bank and Trust Company of Dallas; for the First State of Millsap, the Central National of St. Louis; for the Guaranty State of Mesquite, the Mechanics and Metals National of New York and the Commonwealth National of Dallas; for the First State of Caldwell, the Texas Bank and Trust Company of Galveston; for the Allen State of Allen, the Coal and Iron National of New York City; for the Fort Davis State of Fort Davis, the State National of El Paso.

BANKERS TRUST COMPANY OFFICIALS

N. Duane, formerly vice-president of the Manhattan Trust Company, and Frank N. B. Close, formerly secretary of the Bankers Trust Company, have been elected vice-presidents of the Bankers Trust Company.

Geo. G. Thompson, treasurer, and Perry D. Bogue, assistant treasurer of the Manhattan Trust Company, have been appointed secretary and assistant treasurer, respectively, of the Bankers Trust Company.

Convention Dates

FLORIDA—Key West, April 4 and 5; Secretary, Geo. R. DeSaussure, Jacksonville.
LOUISIANA—Covington, April 26 and 27; Secretary, L. O. Broussard, Abbeville.
NEW JERSEY—Atlantic City, May 3 and 4; Secretary, W. J. Field, Jersey City.
TEXAS—San Antonio, May 7, 8 and 9; Secretary, J. W. Hoopes, Austin.
OKLAHOMA—Tulsa, May 10 and 11; Secretary, W. B. Harrison, Enid.
ARKANSAS—Little Rock, May 28 and 29; Secretary, Robert E. Wait, Little Rock.
ALABAMA—Mobile, May 17 and 18; Secretary, McLane Tilton, Jr., Pell City.
MISSOURI—Joplin, May 21 and 22; Secretary, W. F. Keyser, Sedalia.
MISSISSIPPI—Gulfport, May 21, 22 and 23; Secretary, R. Griffith, Vicksburg.
KANSAS—Topeka, May 23 and 24; Secretary, W. W. Bowman, Topeka.
CALIFORNIA—Long Beach, May 23, 24 and 25; Secretary, F. H. Colburn, San Francisco.
GEORGIA—Atlantic Beach, Fla., May 24 and 25; Secretary, L. P. Hillyer, Macon.
TENNESSEE—Knoxville, May 29 and 30; Secretary, F. M. Mayfield, Nashville.
OWA—Cedar Rapids, June 5 and 6; Secretary, P. W. Hall, Des Moines.
MICHIGAN—Kalamazoo, June 11, 12 and 13; Secretary, (Mrs.) H. M. Brown, Detroit.
NEW YORK—Buffalo, June 13 and 14; Secretary, William J. Henry, New York City.
MINNESOTA—State Agricultural College, St. Paul, June 14 and 15; Secretary Charles R. Frost, Minneapolis.
IDAHO—Coeur d'Alene, June 17, 18 and 19; Secretary, J. W. Robinson, Boise.
PENNSYLVANIA—Bedford Springs, June 18 and 19; Secretary, D. S. Kloss, Tyrone.
NORTH DAKOTA—Jamestown, June 19 and 20; Secretary, W. C. Macfadden, Fargo.
VIRGINIA—Old Point Comfort, June 20, 21 and 22; Secretary, Walker Scott, Farmville.
MARYLAND—Blue Mountain, June 20, 21 and 22; Secretary, Charles Hann, Baltimore.
OREGON—Portland, June 21 and 22; Secretary, J. L. Hartman, Portland.
SOUTH DAKOTA—Belle Fourche, June 26 and 27; Secretary, J. E. Platt, Clark.
NORTH CAROLINA—Morehead City, June 26, 27 and 28; Secretary, Wm. A. Hunt, Henderson.
WASHINGTON—Tacoma-Olympia, June 27, 28 and 29; Secretary, P. C. Kaufman, Tacoma.
OHIO—Cedar Point, July 2 and 3; Secretary, S. B. Rankin, Charlston.
SOUTH CAROLINA—Charleston, July 5 and 6; Secretary, Lee G. Holleman, Anderson.
WEST VIRGINIA—White Sulphur Springs, July 11 and 12; Secretary, J. S. Hill, Charleston.
WISCONSIN—Milwaukee, July 24 and 25; Secretary, George D. Bartlett, Milwaukee.
American Institute of Banking—Salt Lake City, Utah, August 21, 22 and 23; Secretary, A. C. Dorris, Nashville, Tenn.
American Bankers Association—Detroit, week of September 9-14; Secretary, Fred E. Farnsworth, 11 Pine Street, New York City.

THE surest indication of a bank's stability is the steady growth of its surplus. The following table shows the increase in the Surplus and Undivided Profits, during the past ten years, of

The Security National Bank Of Minneapolis

1902 - \$160,000	1907 - \$ 799,000
1903 - 242,000	1908 - 1,052,000
1904 - 371,000	1909 - 1,158,000
1905 - 522,000	1910 - 1,438,000
1906 - 698,000	1911 - 1,773,000
1912 - \$2,079,270	

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

E. W. Decker, president of the Northwestern National, has absorbed information on the future from a lot of letters from northwestern bankers and others, and given out a forecast for lively spring business. Five things make the outlook different from that of recent years as follows:

The deep frost of a hard and long winter.

Testing of seed grain in a practical way.

The spread everywhere over the Northwest of the good farming idea.

Economies practiced by farmers, country merchants, and people in general in the past eighteen months.

The smallest comparative stocks of merchandise in the hands of country retailers for many years.

Commenting, Mr. Decker says: "The deep frost is the most important fundamental. It means the gradual loosening from under of the moisture for the crop, and in this respect the Northwest is better off than for years.

"Farmers everywhere are looking suspiciously at their seed grain. That is a fine thing. The state agricultural college has given them a scare. It has also taught them the advantage of careful seed selection. They are finding out what percentage of germinating power their seed has. It is very important.

"Good farming is the biggest thing in the whole Northwest that is wholly within man's control. Everybody is going to farm better than before. I do not think the importance of that could well be overstated.

"For a long time people have economized. Generally speaking, and particularly so in the agricultural districts where crops in the past two years were not as good as they should have been, people have practiced economy. They will eventually profit by it.

"Stocks are light. There is no doubt about that. The country merchants are under rather than over stocked, and that leaves opportunity for buying on a liberal scale when crop prospects warrant it.

"On the whole, it looks to me like a very good year ahead. We do not even have to have a great bumper crop to make it. Given a reasonably good season, and with good farming and careful seed selection, the Northwest ought to produce a good crop.

"If we get a good crop there will be good business."

To Have New Building

The Scandinavian American Bank and the Northwestern Trust Company of Grand Forks are to have a new building at Fourth Street and Demers Avenue, on a site for which \$60,000 was paid. The capital of the bank will be increased to \$200,000 with \$70,000 surplus, and a plan of complete affiliation with the trust company, which has \$100,000 capital, will be worked out. A new bank will be built as soon as possible, and the combined institutions will have capital, surplus, and profits of \$400,000. The bank is seven years old.

St. Paul Clearing House

Increase in business in the West and ready money in the banks have advanced the clearing house record of St. Paul. For the first twelve weeks of the year, they have been \$129,362,332. A year ago the total was \$121,945,365.

"We have not had to make any demands on the East for money," said Mr. Miller, "and this is because there has been sufficient here to handle the business. Many railroads and other large corporations have been paying their taxes to the state, and, of course, this money has been in St. Paul or other banks in the West."

Predicts Prosperous Year

"More depends on the weather than most people think, and those who have been watching conditions say we are due for a prosperous year. We have passed through a very seasonable winter, and the reports show that the soil is in good condition. Naturally the elections have some effect on business, but in

this section of the country more depends on agriculture and the crop conditions."

The bank clearings for each of the first twelve weeks of the year and of 1911 are as follows:

1911.	1912.
\$ 9,851,550	\$ 8,895,914
10,066,194	9,931,138
9,475,328	9,460,339
9,260,215	10,155,613
9,262,294	9,882,583
8,870,081	10,564,951
9,037,794	9,037,794
9,256,481	9,219,425
12,307,527	16,729,584
11,882,314	12,376,673
10,679,726	10,632,513
11,995,854	12,475,800
\$121,945,364	\$129,362,332

Financiers Object to Clause in New St. Paul Charter

A clause in the new St. Paul charter, which provides for placing the credit of the city behind certificates for local improvements up to 25 per cent of the amount of the improvement, is not approved by financiers. F. A. Fogg, vice-president of the Northwestern Trust Company, says this will impair the credit of St. Paul, and make bonds less desirable. "Suppose," said Mr. Fogg, "there were \$2,000,000 of local improvements in that class. That would mean the credit of the city would be involved for \$500,000, taking the city outside the New York Savings Bank class, as the law does not permit these banks to invest in bonds of cities that have indebtedness of more than 7 per cent of their assessed value. Besides, if the assessment for local improvements was made on an equitable basis, the certificates would not need to be guaranteed by the city. They would become direct liens on the property, and would partake of the nature of bonds. If the distribution of the cost

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RAYMOND J. BURNS, Secretary and Treasurer

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were made in accordance with the value of each individual lot, owners would pay their assessments. Non-payments take place only on lots that have little value." W. A. Miller, vice-president of the First National, said that if another practicable plan can be suggested the bankers would prefer it. Kansas City, it was shown, spreads the payment for local improvements over a term of years without pledging the credit of the city.

Joseph Chapman, Jr.

Joseph Chapman, Jr., vice-president of the Northwestern National, as president of the board of correction and charities, is on the new cabinet of Mayor J. C. Haynes of Minneapolis. The first meeting has been held to create harmony and co-operation between the city departments. He is one of the committee to fix the scope of the conference personnel and agree on an organization.

Citizens Bank Statement Shows Large Overdraft

The Citizens Bank statement, submitted to the city council Tuesday night, showed a bank overdraft that was the cause of some caustic comment. An overdraft of more than \$100,000 on capital account, and more than \$847,000 on revenue account. The explanation given is that the 1911 estimates have been considerably exceeded in work. Vast sums, approximately \$8,000,000, that the city has tied up in public owned utilities, is also causing uneasiness in civic circles.

Farmers will not Endorse Banker or Lawyer for Congress

Farmers living near Baltic, twelve miles from Sioux Falls, have refused to endorse for congress either a banker or a lawyer. They held a meeting to consider two Republican candidates, the only candidates, and decided to put up a third that will suit them.

Prize for Best Letter Declining Credit

Bankers will reap the benefit of a competition started by the St. Paul Credit Men's Association. It has offered a prize for the best letter to a suppositive credit customer, declining credit. The letter must be so written as to retain the addressee as a cash customer. W. L. Mayo of Todd & Mayo, attorneys, read a paper at the meeting on "The Proposed National Currency Act."

Wm. H. Dunwoody

William H. Dunwoody, chairman of the board of the Northwestern National, has been re-elected president of the Minneapolis Fine Arts Society, Perry Harrison, vice-president of the Security National, was made treasurer.

Meeting of M. B. A. Program Committee

The program committee of the Minnesota Bankers Association met Wednesday in Minneapolis to consider the plan for the meeting June 14th-15th at the state agricultural school, St. Anthony Park. The site of the school adjoins both the Twin Cities, in Rosetown, so that bankers are free to pull together for the entertainment of the association delegates. J.

L. Hartman, Portland, secretary of the Oregon bankers, announces to Secretary C. R. Frost of Minnesota that it is taking up agricultural work. Similar notices have come from Iowa and the Kansas City clearing house is sending seed circulars to the banks in Missouri and Kansas. The Minnesota brethren will be the first, however, to meet at an agricultural college.

Minnesota Sixth in Postal Savings

In the list of states as to number of accounts, Minnesota is reported sixth in the postal savings bank race. It is seventh as to amount of deposits, and nineteenth in population. Two hundred and twelve of the banks were in the state January 31, 1912, with deposits of \$625,000, belonging to 7,000 depositors. Since the system began 8,700 accounts have been opened, and more than 18,000 deposits made, and 4,038 withdrawals.

First National Buys Treasury Bills

The First National Bank of Minneapolis has bought treasury bills of Germany amounting to 200,000. They are short-term, bearing 4½ per cent interest. It is a new thing for Minneapolis banks. "The purchase was made on a basis making it possible for the bank to get the money promptly, practically a call loan," said Vice-President C. T. Jaffray.

Small Savings Banks

A. A. Bennet, cashier of the Renville State

Bank, Minn., says the little savings banks are responsible for the shortage in dimes, nickels, and cents. He adds: "Hundreds of banks gave out the little savings banks last year, and before, to encourage thrift. So many small coins have disappeared into these boxes there is a shortage." P. G. Leeman, assistant cashier at the Minneapolis First, says there is enough large coins.

St. Paul Improvement Assessments

Plans for spreading the St. Paul improvement assessments over five years and financing special assessment bonds out of the assessment fund were discussed this week by the St. Paul Clearing House Association with city officials, and four members of the charter commission. Property owners will be required to pay only 7 per cent on deferred payments instead of 12 per cent. The 7 per cent is 6 per cent for bonds and 1 per cent for losses. Every assessment must be provided for by a separate improvement fund. Three proposed plans for classification of improvements proposed are:

First, certificates of indebtedness will be issued pledging the property assessed, but no part on the faith of the city; second, if the certificates cannot be marketed successfully the city is authorized to guarantee 25 per cent of the cost of the improvement; third, should this in turn prove inadequate, then the city can take care of the improvement by general taxation. The certificates must be sold at par, and bear not more than 6 per cent interest. To protect the purchasers of the certificates the city must create a fund of \$25,000, to be used in case money raised by any of the three foregoing methods proves insufficient to take care of the certificates.

Banking Notes

Dana L. Case, cashier of the East Side State Bank, is going to have a bungalow at Lake Minnetonka, town of Excelsior. He has ordered plans.

The executive committee of the second district group of Minnesota bankers met this week at Mankato, and will have its regular meeting, May 22d, at Worthington.

Four banks have been organized recently in North Dakota, having together \$42,000 capital. They are the First State of Nome, the Pioneer of Luverne, the Security State of Kensal and the First State of Grace City. C. F. Ross of Minneapolis is interested in the Kensal bank. Incorporators of the other banks are North Dakota men of money.

Frank B. Gannon, president of the First National of Aberdeen, S. D., is announced by his friends as candidate for the democratic nomination for state treasurer. He is a pioneer banker of South Dakota, and widely known in the state.

W. F. MacLane, cashier of the Hennepin County Savings Bank, has fallen victim to the bungalow habit, and is scraping together money to pacify the architect and the contractor. The house will have a shingle roof.

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Pacific Northwest Banking News

Spokane, March 26.—More than \$40,000,000 in loans was represented at the "get-together" meeting and banquet of the mortgage men of Spokane in the Hall of the Doges the evening of March 16th. The event took the form of a celebration in honor of Saint Patrick. R. Insinger, manager of the Northwestern and Pacific Hypotheekbank and president of the Spokane Chamber of Commerce, presided. Dutch capital was represented by 35 per cent of the total amount loaned in this district, and Scotch and English companies had 15 per cent, the rest being from other sources.

Lew S. Hurtig, a professional entertainer, formerly of New York, now manager of the Liberty Lake resorts, had charge of an artistic and amusing program. The orchestra was costumed as "rubies," and the dais at one end of the room was laden with grains and vegetables. An old roulette wheel was whirled as part of the "favor" distribution. Articles from baby carriages to piping whistles and jacks in boxes were presented to the guests.

Brief addresses were made by W. H. Winfree, president of the Spokane Title Company; Connor Malott, manager of the mortgage department of the Spokane and Eastern Trust Company; W. T. Day, president of Day & Hansen Security Company; Frank J. Walker and Raymond R. Frazier of the Washington Savings and Loan Association of Seattle. Afterward the guests joined in parody choruses, in which R. Lewis Rutter, F. A. Chase, R. Insinger, W. S. McCrea, J. Grier Long and G. C. Corbaley and others were featured. Those present were: W. C. Sivy, R. Insinger, J. W. Whetley, S. Barghoorn, Phil T. Becher, C. P. Lund, J. B. Clark, A. C. Klein, J. Heaton, W. T. Day, J. T. Petiso, Henri Crommelin, Charles A. O'Connor, F. J. Walker, G. C. Corbaley, A. G. Pattullo, F. G. Kiesow, R. Lewis Rutter, Connor Malott, F. A. Chase, James C. Cunningham, Frank C. Paine, W. S. McCrea, J. Grier Long, I. W. Bedle, Alonzo M. Murphey, Eugene B. Favre, R. E. Porterfield, R. R. Rogers, F. J. Holman, J. J. Cadigan, Thomas A. E. Lally, T. E. Maloney, H. C. Wagner, A. Vanderspek, J. W. Binkley, W. H. Winfree, William McMaster, C. H. McCoy, C. W. Winters and Raymond Frazier.

Charged with Defalcation

Two civil actions for recovery of money have been filed in the Yakima county superior court against C. M. Scott of Sunnyside, Wash., and information charging defalcation has also been lodged with the prosecuting attorney against him. Scott went to Sunnyside in October, 1906, and organized the First National Bank. He resigned the cashiership of that institution in January, 1910, and has since then been president of the Western Farm Mortgage Company of Sunnyside. He left Sunnyside about 10 days ago for Seattle, where the warrants will be served as soon as he is located.

Convicted Banker Ill

W. Cooper Morris, convicted banker, for-

merly of Spokane, is seriously ill and liable to succumb to complicated diseases as a result of his confinement in the Oregon state penitentiary at Salem. Despite the rumors that Governor West is to pardon Morris, late reports indicate that no promises have been made and that the governor will not be influenced by letters or petitions forwarded him. It is probable that the case will be passed on shortly, recent developments making it almost imperative that Morris be freed to save his life.

William D. Vincent

William D. Vincent, cashier of the Old National Bank, and chairman of the agricultural committee of the Washington State Bankers Association, is lining up owners of automobiles in Spokane to drive into the country on Good Roads Day, April 12th, and fill the ruts and chuck holes in the public highways. He thinks more real benefit will follow the day on the roads than could be expected from a long program of technical addresses and good intentions at county or state meetings. District maps, showing the condition of the roads in the territory tributary to Spokane, are being prepared and will be distributed among own-

ers of automobiles, so there will be no duplication of work.

Buys School Bonds

First National Bank of Kellogg, Idaho, has bought \$25,000 school bonds voted by the consolidated district of Wardner and Kellogg. The banks' bid was a premium of \$207 on the bonds at 5 per cent. There were eleven bidders and sixteen bids for the issue. The money derived from the bonds will be used in the erection of a high school building at Kellogg. In view of the lead tariff agitation which has had a tendency to unsettle business in the Coeur d'Alenes, the successful bid is a vote of confidence as to the future prosperity of the district.

Search for Accomplice

Police all over the western country are searching for Bertha Hinkle, supposed accomplice of Herman Smith, a prisoner in the Spokane county jail, awaiting sentence for forgery. The local police think that Smith issued the checks in jail and passed them through confederates to the Hinkle woman, who by a series of disguises has succeeded, it is alleged, in passing checks totaling several hundred dollars on shops, department stores and grocery establishments.

Increases Capital

Western Empire Fire Insurance Company of Spokane increased its capital stock and surplus from \$275,000 to \$500,000 at a meeting of directors on March 20th. George L. Ramsey, chairman of the board of the Union Bank and Trust Company of Helena, Mont., a director of the company, says it is planned to enter New York, Pennsylvania, Indiana, Illinois, California, Oregon, Utah and several southern states at once.

Investments in Spokane

R. C. Holt, of Denver, western financial representative of the Penn Mutual Life Insurance Company of Philadelphia, announced here that more large investments will be made in Spokane this year. The company has already loaned more than \$1,500,000, a third of which was placed last year.

Pays Dividend

Trustee Company of Spokane, which owns the Wolverton, Hyde, Eagle and Temple Court properties, paid its nineteenth regular quarterly cash dividend of \$20,312.50 in March, thus bringing the total to date to \$351,711.79. The twentieth dividend will be distributed on June 10th.

Banking Notes

E. S. Burgan, president of the First National Bank of Pullman, Wash., has just closed negotiations for the investment of \$40,000 in Spokane property. In exchange as part payment he gave a contract on 3,000 acres of land in Morrow county, Ore., valued at \$36,800.

W. D. Dickey, assistant cashier of the National City Bank of Chicago, was a guest of



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Assistant Cashier Assistant Cashier
W. J. SMITHSON, Assistant Cashier

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we have sold.

J. P. M. Richards, president of the Spokane and Eastern Trust Company, on March 19th.

P. J. Buwalda of North Yakima, Wash., who represents some Holland capital there, has received advices that \$8,000,000 of Dutch money will be available for investment in income property in various parts of the state of Washington.

Spokane bankers' base ball league this season will be composed of five teams: Traders National Bank, Fidelity, Exchange, Spokane and Eastern Trust Company and the National Bank of Commerce. Lamont Barnes is president of the league.

E. L. Farnsworth, vice-president of the State Bank of Wilbur, Wash., said in Spokane, on March 19th, that the crop outlook in his district is the best since 1907.

Seattle

The National Bank of Commerce has just won an important case in which it was sued by the government for approximately \$15,000, the amount of checks forged by a government employee. This employee worked the scheme for some time on faked pay checks for employees. These were endorsed and deposited in another bank under a fictitious name. When the disclosures came the government insisted upon the National Bank of Commerce standing the losses. At the same time the government retained the checks, refusing the demand of the bank for them. When the case was brought up in the federal district court in Seattle this week, Kerr & McCord, counsel for the National Bank of Commerce, made the point that the government had refused to give up the checks and therefore had no ground for a claim. The court upheld the contention and the case was non-suited without going to the jury.

PENETRATE BRICK WALL TO ROB BANK IN OHIO

Cleveland, O.—Robbers broke into the Bank of Berea, a private institution at Berea, O., twelve miles west of here, last Thursday night and penetrating the outer vault, looted 100 safety deposit boxes, obtaining \$8,000 in cash and jewelry.

It is believed the robbers were frightened away, as they left the inner safe, containing \$35,000 in cash, partially drilled. No clues are obtainable.

Entrance first was effected into the office of Justice of the Peace T. P. Poole, next door. Working behind a partition, the robbers then drilled through Poole's wall and the wall of the bank directly into the vault. It was necessary to penetrate 35 inches of brick and mortar. Poole discovered the robbery when he opened his office next morning.

The same gang blew the postoffice safe at Hudson, near Berea, taking between \$5,000 and \$10,000.

THE NEWEST OF BOOKS

One of the newest books of which you are to hear much is "Joseph in Jeopardy," by Frank Danby, published by Macmillan & Co., New York. It is a tale of social and post-nuptial complications and quite different from the long list of "best sellers." The scene is laid in London, in middle-class circles, and has to do with Dennis Parsifal, brought up by a vicar with a clean mind and a healthy body. His inherited artistic instincts have enabled him to build up a great business as expert dealer in art works. To his success is due his marriage with Juxton's only daughter, without style, presence or beauty, whereas he is a six-footer, an athlete and a county man in cricket.

How such a good woman may rise, albeit unwittingly, to an exigent marital situation is finely and skillfully depicted by the novelist in a single chapter following upon the successive episodes of Parsifal's temptation by as seductive a witch as ever fell under a magician's spell. The fleshy lure of Lady Diana seems a commonplace of eroticism in comparison with this subtle portrayal of long-delayed, scarce-understood awakening.

The tale of social adventure, family jars and varied enterprises has a distinctive theatrical element, leisurely introduced by way of clearing the ground for the final situation. After the stalwart and stout-hearted Joseph falls into real danger from the woman who loves him and seeks to reach him by the divorce route, the action is rapid, resolute and passionate, nor is the concluding triumphant cricketing tour needed to vindicate the hero's loyalty or the novelist's brilliant invention.

Little, Brown & Company, Boston, has sent out a thriller, running through five editions in one week, in "The Mountain Girl," by Payne Erskine. The story was an immediate success and breathes the air of the great woods and at the same time tells a compelling love story. The author has written strongly and well. It is one of those stories which cannot be forgotten, once the book is laid aside. In fact, it is a book which one can read a second and a third time, finding in it some new charm and delight with each reading. The plot is well worked out, the characters are finely discriminated, the heroine being a new and beautiful creation. The descriptions of the scenery are unsurpassed; one sees the mountain beauty while reading, breathes fresh dewy air, and feels the world is good.

The scene of the novel is laid in the mountains of North Carolina, and a beautiful mountain girl, untrained and uneducated, is the central figure. To her home comes an English aristocrat, Dr. Thryng, in search of health, and the love that develops between him and Cassandra is skilfully depicted. In firmness of character, innate refinement, pride of race and self, and deep spirituality, Cassandra stands a heroine splendidly imagined and brilliantly portrayed. The mountains form a romantic setting to the drama of love and passion, and their beauty, as pictured by the author, will stir the emotions of the reader. Be-

cause of its genuine human interest and strength of characterization, "The Mountain Girl" is deserving of the wide audience it will doubtless obtain.

Philadelphia

John P. Wilson, for several years a member of the board of directors of the Sixth National Bank and a vice-president since January, 1911, has been elected president to succeed the late William S. Emley. Daniel Baird, cashier and an attachee of the bank from early boyhood, has been elected vice-president to take the place of Mr. Wilson.

Stockholders of the Girard National Bank have been called into special session on April 18, 1912, for the purpose of voting on a proposed increase in the number of directors to a membership of twenty instead of nineteen as it now stands.

While loans and discounts of the national banks and trust companies in the Philadelphia clearing house increased \$1,361,000 last week, the cash reserves, according to the weekly statement Monday, fell off \$443,000. Individual deposits dropped \$600,000, but bank deposits increased \$2,256,000, leaving a gain in net deposits of \$1,590,000. The surplus reserve of the banks above the legal requirements was increased \$206,000, making the total surplus \$11,345,000, while that of the trust companies fell off \$1,001,000 to \$1,752,000.

BANK MERGER AT MOODY, TEXAS

The First National and the First State Bank, both of Moody, Texas, have consolidated their business and the two banks will hereafter be continued as one under the name of the First National. The First State Bank was organized about four years ago and has grown and prospered from the date of its organization and the consolidation came as a surprise. During the four years its surplus had increased and it has earned annually nearly 14 per cent on its investment.

John S. Patterson, its president, and A. H. Carnes, its cashier, and practically the owners of the institution, both will leave Moody. Mr. Carnes will engage in the banking business elsewhere and Mr. Patterson will be associated with one of the leading law firms in Dallas. J. C. Reynolds will continue as its president and J. W. Donaldson as its cashier.

STATE SAVINGS BANK DIVIDEND

George C. Van Tuyl, Jr., superintendent of banks of New York, has filed application with supreme court for permission to pay initial dividend of 15 per cent to creditors of the defunct State Savings Bank. This institution was closed last December as result of the defalcations of John Pucci, teller. At the time of closing liabilities were about \$200,000, and up to March 12th claims had been filed with department amounting to \$166,863, while claims aggregating \$12,807 had been rejected. Application is returnable March 29th.

JOHN McHUGH - President
JOHN J. LARGE - V.-Pres.
W. L. MONTGOMERY, V.-Pres.
HENRY G. WEARE - V.-Pres.
F. A. McCORNACK - V.-Pres.
H. A. GOOCH - Cashier
O. D. PETTIT - Asst. Cashier
FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIoux CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

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BUSINESS AND OFFER
YOU EXCEPTIONAL
FACILITIES. CORRE-
SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
Collections and Bank Accounts

**Largest Bank in Clinton
County**

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITORY

ESTABLISHED
As a Private Bank, 1877 As a National Bank, 1887
35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VEGTEN, President
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SHOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Des Moines, March 27.—The executive council of the Iowa Bankers Association held an important meeting at Cedar Rapids last week. The session was the last prior to the state convention and arrangements for that gathering were completed as far as is possible at this time. The date was determined to be June 5th and 6th.

The council took most important steps along the line of protecting the members from robberies. It was voted to recommend that the I. B. A. amend its constitution and by-laws, so that the policy of paying \$500 to the city entertaining the state convention be discontinued. Also that the payment of group meeting expenses be done away with. The money thus saved will go into the fund for protection of the members of the association. It was voted to pay \$1,000 reward for the captures of the Derby State and Panama Savings bank robbers.

An important measure will be the recommendation that the system of electing group officers be changed, so that all will not retire the same time as at present. It is proposed to elect the officers for two years with the arrangements in such shape that one-half will retire at one time, and the other half on the succeeding year. This will necessitate a rearrangement at the conclusion of the present year.

Members of the council commended Secretary P. W. Hall for his efforts to secure the testing of seed-corn throughout Iowa. The council is enthusiastic over the project of making agricultural wealth of more importance in Iowa with each passing year. The members who were present included President E. J. Curtin and Secretary Hall, who had been at Omaha on business connected with the protective policy of the association; W. G. C. Bagley of Mason City, treasurer; Wm. Heuer of Davenport, vice-president; Morton Wilbur, Charles City; C. E. Narey of Spirit Lake; Bert Teale, Mount Ayr; N. V. Kuhls, Earling; S. F. McConnell, Bloomfield; G. D. McElroy, Vinton; C. A. Larson, New Hampton; I. W. Reihman, Grand Mound; W. H. Eddy, Boyden; E. R. Lacey, Columbus Junction; John McHugh of Sioux City; and S. J. Pooley, Grinnell.

Private Bank Ruling

Another ruling has been handed down by the assistants of Attorney-General Cosson, that is of special interest to bankers. This time the question of private banks is taken up. It is held that these institutions will have to pay on at least a 5 per cent greater valuation than state, savings or national banks or trust companies. The decision follows the request of an assessor as to whether he could compel a private bank to disclose the names of the various men who composed the partnership of a certain bank. The state department of justice investigated and discovered that while the last legislature made a law providing for assess-

ment of state and savings banks and trust companies upon a basis of 20 per cent of their actual value, private banks were omitted, and they are still being assessed upon a 25 per cent basis.

Tax Convention at Des Moines

The tax convention at Des Moines last week, in which 200 Iowans interested in taxation gathered at Des Moines, and participated, proved a stormy affair. Each delegate had a fad, and each wanted the convention to go on record as favoring it. Some of the members of the temporary tax commission accused the railroads of packing the meetings, and there were numerous acrimonious debates. However, the convention came to a peaceful end with the tax commission pleased at the ideas suggested and the delegates confident that the temporary tax commission proposes to do the best it can for the state. The question of bank taxation was touched up many times in the course of the convention, but no action was taken. It seems to be the consensus of opinion that the commission will suggest to the legislature a series of laws that will be of benefit throughout Iowa, and that the present unjust and unequal system of handling the bank assessment question will be straightened out.

End of Tax Ferret

At last the Iowa tax ferret is no more. He folded his tent at Waterloo last week when Judge Ben McCoy completed his contract with the supervisors of Black Hawk county, and betook himself to some other field of endeavor. With his departure from the Waterloo court house comes to an end the reign of the tax ferret in Iowa. When the legislature abolished the tax ferret two years ago, there were some counties which had contracts with these delvers after hidden riches that had to be carried out. The Black Hawk county case was one of them. The tax ferret law drove millions of dollars in capital out of Iowa, and it drove many hundreds of people out at the same time. Not only that but it prevented many capitalists from coming into the state. The repeal of the tax ferret law was the best piece of legislation enacted by the legislature a year ago with the possible exception of the repeal of the law taxing moneys and credits and putting them on a flat-rate basis.

Coming Group Meetings

Two group meetings have been announced. Group 1 meets at Sheldon, May 2d. Group 8 meets at Clinton, May 9th. No program has been received in Des Moines at this writing for the meeting at Sheldon, and the committee for the Clinton meeting has been left in the hands of the executive committee. These are strong groups and doubtless the meetings will be well worth attending.

Citizens National Celebrates Fortieth Anniversary

The Citizens National of Des Moines observed its fortieth birthday last Friday. Its

The First State Bank of Silver Creek, N. Y., has made application for a national charter under the name of the First National of Silver Creek, capital \$50,000.

charter has been renewed, and it has started another lap of successful existence. J. G. Rounds, the present president of the institution, opened the first set of books as assistant cashier. A year later he was made cashier, and was in that position for twenty-one years when he was chosen president. The bank has made a consistent growth, and is accounted one of the strongest institutions in Iowa.

Death of B. B. Richards

B. B. Richards, one of the oldest citizens of Dubuque, and a pioneer banker, died last week at his home in that city, at the age of eighty-nine. His wife had died less than six weeks prior to his own fatal illness, and undoubtedly this hastened his demise. The deceased was the first president of the Dubuque National, and was the founder of several banks in northern and northwestern Iowa. At one time he was actively associated with six banks in Iowa, but gradually his interests in this direction were withdrawn.

Bonyng Addressed University Club

Hon. Robert W. Bonyng of Denver addressed a meeting of the University Club of Des Moines in this city, Monday night of this week. He spoke upon the necessity for fiscal reform, and on that account the Bankers Club accepted invitations to meet with the members of the University Club. Mr. Bonyng was at one time a member of the monetary commission, and his lecture was received with marked interest. He declared that the Aldrich plan is the best method now before the public of placing the finances of the United States upon a safe and sane basis. He averred that its passage will place this country upon a commercial and financial par with the countries of Europe.

Farmers and Merchants Savings at Manchester

The Farmers and Merchants Savings is a new bank that has just opened its doors at Manchester with a capital stock of \$100,000. There are approximately one hundred and sixty men of the leading business men and farmers of that vicinity interested in the institution. The bank is doing business in the building formerly occupied by the State Savings, which has been merged with the new institution. L. Matthews, for ten years, president of the State Savings, has retired, and become manager of the Manchester Light, Heat and Power Company. The Farmers and Merchants will move into a fine new home late in the summer. The officers are Burton Clark, president; J. F. Graham, first vice-president; William Maurer, second vice-president; F. E. Dutton, cashier; W. W. Matthews, assistant cashier.

Banking Notes

Considerable rivalry exists at Davenport among the banking teams at the game of bowling. A series of interesting contests has been held between the Iowa nation bank clerks and the clearing house clerks.

The Riceville State has renewed its articles for twenty years. The capital is \$25,000.

Mrs. Kate Mattes, wife of Joseph Mattes, well known Odebolt banker and member of the Iowa State senate, died last week at their home in Odebolt. She had resided in Odebolt since 1879.

The Davenport Savings declared a semi-annual dividend of 6 per cent, payable April 1st.

H. S. Beckman has disposed of his interests in the Grundy County National at Grundy Center after thirty-five years' active service with the institution. E. E. Taylor of Traer is the purchaser. The sale included one hundred shares in the Grundy County National and

fifty shares in the Grundy County Savings, and he was president of both institutions.

The Commercial Savings at Marion has increased its capital stock to \$40,000.

J. T. Turner, a pioneer banker at Iowa City, was rendered hopeless by a stroke akin to paralysis, and at this writing is not expected to live. He is ninety-one years old.

The Perry Savings will install a handsome new stone front and make some improvements in its structure, which will do much to enhance its beauty and usefulness.

The new Northwest Davenport Savings announces a new one-story brick building to be constructed this spring.

Clearings in Des Moines for the week ending March 23d totaled \$4,424,975.16. This is an increase over the clearings for the corresponding week last year of \$214,000.16.

Two men arrested at Council Bluffs for robbing mail pouches in which there were numerous important papers meant for the banks at Des Moines were found guilty and sentenced to three years at Fort Leavenworth.

Glen Gulliver, accused of entering the bank at Orchard one afternoon and knocking down Cashier Clepper with the intention of robbing the institution has been on trial at Mason City. Clepper identified Gulliver, as did other witnesses for the state. However, the defense put on witnesses to show that the accused man was at Chicago on that time. The trial has attracted much interest. Whoever the assailant was, he grew scared and ran out of the bank leaving some \$15,000, which he might have secured had he taken chances on being captured. Gulliver was arrested within a few days.

John T. Hamilton, well-known banker at Cedar Rapids, has an insistent boom for democratic candidate for governor of Iowa. He has thus far refused to hearken to the bee.

D. J. Murphy of Waukon is preparing to organize a bank at Waukon. It will be a national institution, and Mr. Murphy has been at Washington consulting the comptroller relative to it.

Sioux City

By JOHN J. BIDDISON.

A bas the banker! A bas the lawyer! Vive the farmer, the butcher, the baker, the candlestick maker—anybody, in fact, but no lawyers or bankers—not in South Dakota's congressional delegation. A movement has been started. The farmers of the Baltic district, twelve miles north of Sioux Falls, have decided that the halls of congress are already sufficiently infested with those men whose hands are tainted with filthy lucre. In that congressional district there are two candidates for the republican nomination. One is a banker and one is a lawyer, but the people—meaning the rustic inhabitants of Baltic and thereabouts—have in convention assembled decided that neither of these will do, and they are starting a movement to get a true representative of the people, meaning thereby none other than the Honorable A. L. Van Orsdel, of Mission Hill, into the race. Whether this statesman will, like Cincinnatus, Washington and others, heed the call of his country remains for unwritten history to record, but in any event, a bas the banker.

Bank Robbery as a Benefit

By the logical sequence of events, bank robbery is a good thing. It gets business. So at least is the theory of the business men of Osage, Ia., who are reaping the benefits of the robbery of the Bank of Orchard. This is

brought about because of the trial at Osage of a man accused of an attempt at robbery. The interest in the case was such that people flocked to town in large numbers, and the merchants therefore did a large business.

Banking Notes

Geo. M. Townsend, assistant cashier of the Murdo State Bank, Murdo, S. D., has received appointment as United States commissioner. The appointment is at the hands of Federal Judge Elliott, of Sioux Falls.

A new building is to be erected for the First National Bank of Lead, S. D.

Among the Visiting Bankers

O. L. Branson, president of the First National of Mitchell, S. D., and candidate for congress for the Republican primaries in the new district in South Dakota, was in Sioux City Wednesday. Mr. Branson appears sure of nomination, and his friends are much gratified.

John McHugh, president of the First National of Sioux City, was in attendance at the council meeting of the Iowa Bankers Association held at Cedar Rapids last week.

I. S. Large, president of the First National of Rock Valley, Iowa, was in Sioux City Thursday and Friday on business.

L. W. Moody, president of the First National of Pomeroy, Iowa, was in Sioux City Wednesday.

M. D. Gibbs, cashier of the Bank of Northwestern Iowa, at Alton, was in Sioux City Wednesday night.

Chas. G. Jordan, cashier of the First National of Belden, Nebraska, was in Sioux City Thursday on business.

George I. Paker, president of the First National of Hartington, Nebraska, was in Sioux City Thursday on business.

H. F. Haroldson, cashier of the First National, Brookings, S. D., was in Sioux City on business Thursday.

A. J. Mastalair, assistant cashier of the Pierce County Bank, of Pierce, Nebraska, was in Sioux City Monday.

Oluf Johnson, cashier of the First National of Elk Point, S. D., was in Sioux City Monday.

LINDBERGH REPLIES TO DIRECTOR ROBERTS

The following letter has been received from Representative C. A. Lindbergh of Minnesota:

"To the Editor: I would like you to give space to this letter, as you did to an interview of George E. Roberts, director of the United States mint. It is not my practice to publicly refute misstatements relating to myself, because the public should not be burdened with personal affairs. But the statement of Mr. Roberts relates to a matter of great public interest. He pretended that I had made a statement and then proceeded to dispute the truth of it. I never made the statement referred to by Mr. Roberts. I made a statement relating to Sec. 56 of the Aldrich monetary plan in a speech of mine in congress and Mr. Roberts misquoted. The banking and monetary problem is the most important before the people. The full truth of all my statements may be had by reference to the speech, which I will mail to anyone on request.

"C. A. LINDBERGH."

A charter has been issued to the Citizens National of Alameda, Cal., capital \$100,000, succeeding the commercial department of the Citizens Bank of Alameda.

UNCLE SAM IS HARD TO PLEASE.

Are you the same? Then next time you go to *St. Louis*, test the quality of C. & E. I. service. It's the route that takes the mails.



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and Service*

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CHICAGO

AGRICULTURAL AND EDUCATIONAL CONFERENCE

(Continued from page 17)

ing that Mr. Sexauer was a graduate of the Iowa agricultural college at Ames, and had had three years' experience in the teaching of agricultural subjects at Albert Lea, and that he was regarded as a most competent authority on these subjects. Mr. Sexauer at some length related his experience in dealing with agricultural subjects at Albert Lea, with reference to the other members of the faculty, the pupils and their parents, and the farmers themselves. Copies of the law relating to the teaching of agricultural and industrial work in Minnesota were distributed to the members of the conference, including the Putnam Act, which brought about originally the establishment of ten agricultural high schools in that state, and which up to the present time have been increased to thirty. In addition there also are sixty-five schools known as the Benson-Lee schools. The law makes it optional, under state aid, for any established high school or graded school to teach certain industrial subjects; also the amount of state aid for such instruction, and the manner of its payment are provided. Mr. Sexauer stated that the Albert Lea venture had been considered a success, and that generally speaking, the Putnam schools were more or less successful; that where failures had occurred it was due to the failure to secure properly trained teaching forces. The Benson-Lee schools have met with more or less success, but for the same reasons as in the case of the Putnam schools, where failures occurred, they lacked properly-prepared, practical teachers. Mr. Sexauer presented a chart showing what subjects are taught in the high school at Albert Lea, and in the Putnam schools, which he suggested for a four-year course in agriculture: First Year: Elementary Algebra, English, Botany and Farm Crops; Second Year: Plane Geometry, Zoölogy, English and Animal Husbandry; Third Year: Physics, English, English History and Farm Mechanics; Fourth Year: American History of Civil Government, English, Chemistry and Soil and Horticulture. In addition to the above, an opportunity is afforded for the study of domestic science and manual training three days each week. Two days a week music is given in addition to the above course. Considering the radical innovation, no particular friction de-

veloped among the teaching authorities. Mr. Sexauer was questioned separately by the members of the conference, all of whom expressed great pleasure at having had the opportunity to meet personally a teacher who had had three years' experience in the successful and practical teaching of these subjects. Prof. F. M. Leavitt, associate director of industrial education at the University of Chicago, and who had an extended experience in Massachusetts before coming to Chicago, was introduced next as a representative of the Illinois State Teachers Association. Prof. Leavitt favored a broad plan and hoped that whatever action was taken by the conference, and ultimately by the various state interests, will result in the teaching of agricultural subjects, home-making and the mechanic arts in the schools. President James of the University of Illinois, and Dean Davenport of the agricultural college, as well as all other members of the conference, engaged in the discussion, and finally it was decided that an executive committee representing the conference be selected to draft a bill providing for the teaching of agriculture, domestic science and manual training in the established schools of Illinois; the committee to consist of F. G. Blair, David Felmley, R. E. Hieronymous, B. F. Harris, W. G. Edens and Irving Shuman.

The members of the conference had their lunch at the University Club, where the final discussions were held in the afternoon, and were entertained in the evening at dinner by Mr. and Mrs. B. F. Harris at their beautiful home in Champaign.

NEW JERSEY BANKERS FAVOR THE GILL MEASURE

The New Jersey Bankers Association, actuated by the lively interest manifested in the Gill measure, now before the state legislature, by its large number of members, is acting in concert with the several chambers of commerce throughout the state in urging the assemblymen from various districts to insist upon an immediate and unrestricted passage of the bill. The bill provides stringent measures for the protection of the investors against "wildcat" and irresponsible corporations and schemes, and the matter has been placed in the hands of W. C. Heppeneheimer, president of the Bergen and Lafayette Trust Company, of Jersey City, and the Trust Company of

New Jersey, at Hoboken, who is chairman of the legislative committee of the American Bankers Association.

OUT-OF-TOWN BANKERS

Out-of-town celebrities seem to have been fighting shy of Chicago this week. Among those who visited the city the past week are the following: G. J. Bader, president of the Indiana Harbor State Bank; Mr. Bader also has banking interests at East Chicago and at Gary; C. R. Parker, assistant cashier of the Anglo London Paris National at San Francisco, was in the city on his way back from New York; H. R. Dennis, formerly president of the Sioux Falls (S. D.) Savings Bank; Mr. Dennis contemplates going into the insurance and farm loan business; L. H. Plumb, president of the Union National Bank, Streator, Illinois.

CREDIT BUREAU FOR NEW YORK STATE BANKS

A credit bureau has been established in the office of the state banking department by Superintendent Van Tuyl, which will help to keep out of banking assets such paper as has been a conspicuous feature in the liquidation of several local institutions. The new system is a card index, on which every loan of \$5,000 or over is recorded under the name of the individual to whom it is made. The assets of the borrower are also recorded on the card. In this way the department can determine at a glance the loans made to any borrower by state banks, and should these show any excess over his assets, it can notify the bank to decrease the loans made to the individual. The information is strictly confidential, and no one has access to it save the state superintendent.

Mr. Van Tuyl has been in communication with the comptroller of the currency, and has said that the latter may put in operation such a system for the national banks.

Dorchester, Iowa.—The Dorchester Savings Bank is the title of a new bank organizing with a capital of \$10,000. Matt. Flynn, O. J. Hayer and J. C. Ludeking are interested.

Application has been made to organize the Citizens National of Mulberry, Ind., capital \$50,000.

CHAPTER NEWS

CHICAGO CHAPTER, A. I. B.

By OTTO J. KRAMPIKOWSKY.

Hon. Joseph H. Fitch, judge of the superior court, Cook county, Ill., addressed Chicago Chapter, A. I. B., on the subject of "Special Assessments," at the general meeting held Tuesday, March 26th, at the Assembly Hall, Northwestern University building, Lake and Dearborn. Judge Fitch is one of the best (if not the best) posted men in the state of Illinois on special assessments, and his address was a very instructive one to all taxpayers present. Judge Fitch outlined the various methods pursued by the tax assessors, i. e., the board of review and the board of assessors, and the purposes for which special assessments were expended, as well as general taxes, illustrating how real and personal property was assessed, and citing several supreme court decisions.

William Geyser of the Corn Exchange National Bank gave a piano selection.

Debating Society

The Senate of the Y. M. C. A. has accepted a challenge to debate the society of Chicago Chapter at chapter headquarters, April 30th. A preliminary debate to select members of the team will be held Thursday, April 4th, on the following question:

Resolved, That municipal ownership of public utilities in the city of Chicago would be a greater benefit to the public than private ownership.

BANQUET OF RICHMOND CHAPTER, A. I. B.

At the banquet of the Richmond Chapter of the American Institute of Banking on Saturday night, March 23, 1912, John B. Purcell, president of the First National Bank of Richmond, was the orator of the occasion, his remarks, more in the manner of a "heart-to-heart talk" with the members and guests than an address or a prepared oration, being listened to with a marked degree of attention and absorbing interest. Other speakers were Charles Nagel, secretary of commerce and labor; Raymond B. Cox, president of the American Institute of Banking and closely allied with the Fourth National Bank of New York, and Joseph C. Taylor, an attorney of distinction.

MONTANA BANK CLERKS ORGANIZE

A Great Falls chapter of the American Institute of Banking has been organized, and held its first meeting recently. In addition to the young bankers of Great Falls, the membership will include some of the smaller towns tributary to that city. The new chapter starts with a membership of thirty-one, representing five towns.

SPOKANE CHAPTER BANQUET

Spokane Chapter of the American Institute of Banking will give a banquet in the Hall of the Doges on the evening of April 17th, when it is anticipated fully one hundred and fifty members of the organization will participate. The menu and entertainment committee which has had charge of the preparations to date consists of W. J. Schiesl of the Spokane and Eastern Trust Company; A. S. Snow, with the Northwest Loan and Trust Company, and Thomas Kehon of the Bank of Montreal.

A. I. B. FOR SAN ANTONIO

H. M. Hart, assistant cashier, City National Bank of San Antonio, is one of the prime movers in the establishment of a local chapter of the American Institute of Banking. Mr. Hart and his associates have been working hard on this organization for some time, and at a meeting held for the purpose of organization, fifty men attended. This in itself is sufficient encouragement to lead us to believe that a flourishing chapter is assured for this city. By-laws were submitted by a committee at a special meeting held March 13th. The temporary officers are H. M. Hart, chairman, and Frank Pancoast, secretary. San Antonio has about one hundred and twenty-five men eligible to membership.—Texas Record.

FOURTEEN BOYS INCORPORATE A BANK IN MASSACHUSETTS

Quincy, Mass.—Fourteen boys whose average age is 14 years have incorporated here the youngest bank institution in New England. The boys will deposit 50 cents each week until the fund has become large enough to invest in some business enterprise.

TO LAUNDER PAPER MONEY

It costs the United States government one and one-third cents to manufacture a \$1 bill. When the bill becomes soiled through continual handling it is sent to the treasury department, which destroys it and issues a nice new clean bill in its place. The same may be said of all other paper currency of large denominations.

Now comes a Shelbyville, Ind., inventor, F. B. Churchill, with a machine for washing, ironing and otherwise laundering paper money. According to the Inventive Age, Washington, the treasury department redeemed \$1,183,000,000 in soiled bills last year and issued new ones in place of them. Eighty per cent of the bills might have been washed at a cost of one-tenth of a cent per bill and reissued at a considerable saving in cost to the treasury department.

A CANINE BANK ROBBER

Atlantic City, March 23.—Muggins, a prize Boston bulldog, owned by R. P. Taylor, a contractor, perpetrated a bold bank robbery here, getting away with \$1,000—for a while. He trotted into the Atlantic City National Bank at the heels of Taylor. While his master was transacting business with the cashier Muggins nosed open the door and entered the cage.

The cashier chanced to knock a package containing ten \$100 bills from the counter. The dog evidently thought it was tossed to him, for he pounced upon the roll, gripped it in his teeth and trotted blithely out into the street before the cashier recovered himself. Clerks of the bank and pedestrians gave chase, but Muggins playfully eluded capture for half an hour, when the money was recovered.

Kalama, Wash.—The jury in the case of H. C. Phillips, president of the Commercial Bank of Vancouver, defunct, who was charged with receiving deposits after he knew that the bank was insolvent, brought in a verdict of not guilty Saturday after taking four ballots. The first three ballots are reported to have stood ten to two for acquittal.

SEE AMERICA FIRST

Aberdeen, S. D., March 25.—As a result of the South Dakota State Builders convention, which was in session here last week, the state becomes actively identified with the Northwest Development League and will participate in all its enterprises. The work of the Northwest league was heartily indorsed and South Dakotans voted to support the Northwestern products exposition in Minneapolis next November and to furnish material and necessary funds for installing and maintaining its exhibit in connection with the seven-state display which the Northwest league will make in the space furnished by the St. Paul Association of Commerce. The commercial clubs and other organizations of the state also voted to assist in the organization of the "See America First" expositions, which will be staged by the Northwest league in eastern towns and cities this fall and winter.

By the adoption of the articles of organization, the president and secretary of the South Dakota Development Association became executive committeeman and vice-president for South Dakota on the board of the Northwest league.

The new state organization consists of representatives of the South Dakota Federation of Commercial Clubs, the State Bankers Association, the State Real Estate Dealers Association, the Grange, the South Dakota Traveling Men's Association and the South Dakota Press Association. President Lewis Penwell of the Northwest league pronounced it the most practical organization of the kind in any state of the Northwest, and said all other states might well copy the South Dakota idea. President Penwell and Secretary Campbell have been in attendance at practically all sectional meetings, Mr. Campbell having given five distinct addresses during the meeting.

LARGE COTTON EXPORTS

One-third more cotton has been exported to date this season than a year ago, on a crop which is just one-third larger. Total exports are 8,732,103 bales, compared with 6,561,423 bales a year ago. Exporting is, therefore, not out of proportion to last year's movement.

At southern ports much activity is still shown at this date in the season. On Thursday, four of these ports sent abroad 57,000 bales. Both Galveston and New Orleans are heavy shippers, reporting 48,000 bales in Thursday's exports. Receipts from the interior are still maintaining a good record, although there is pronounced reluctance on the part of first hand holders to sell spot cotton. Port receipts are chiefly part of the clearing-up program of the season, including cotton already sold and being moved to meet contracts.

NATIONAL NASSAU BANK

The National Nassau Bank, New York City, has called a special meeting of stockholders for April 22d to vote on an increase of its capital from \$500,000 to \$1,000,000 by increasing the par value of its present shares from \$50 to \$100. The new stock will be issued at \$150 a share, leaving \$250,000 to be added to surplus account.

In increasing the capital stock of the National Nassau Bank it is proposed to issue new stock at \$150 a share to shareholders of record April 10th to the amount of 100 per cent of the par value of their present holdings. Each holder of two shares of the present stock will be entitled to subscribe to one share of new stock at \$150 a share, payment to be made on or before May 15th. Books close April 19th and reopen April 23d.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

BANK FIXTURES FOR SALE

FOR SALE—About 40 feet marble fixtures, practically new. Low price. Quick delivery. Can be changed to suit. See sample in this office. Send diagram of your room. For particulars address or call CHICAGO BANKER OFFICE, 407 Monadnock Block, CHICAGO

FOR SALE—Miscellaneous

1-A Reflex, focal plane shutter, Celorix-inch lens. Cost \$84.50. Like new, \$45.00. Address, X-44, Chicago Banker.

1-A Graflex, 1C. Tessar lens, focal plane shutter (new out of stock), value, \$101.50. Sell, \$85.00 Cash. Address, X-55, Chicago Banker.

4x5 Goerz-Argo, latest model, Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$165.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale, 9 1/4-inch Goerz Dagor, Volule shutter, value \$97.50. Sell for \$50.00, like new. Six-inch Dagor, Koilos Shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale, Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are today. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safeguard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20. A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

History of Banking in the United States. John Jay Knox. \$5.00.

Practical Banking. Claudius B. Patten. \$5.00.

Modern Banking Methods. A. R. Barrett. \$4.00.

Elements of Foreign Exchange. Franklin Escher. \$1.00.

Gold Production and Future Prices. Harrison H. Brace. \$1.50.

Pushing Your Business. T. D. MacGregor. \$1.25.

Economic Causes of Great Fortunes. Anna Youngman. \$1.50.

Neglected Point in Connection with Crises. N. Johannsen. \$1.50.

Monies of the World. James P. Gardner. 50c.

Bankers' and Merchants' Perpetual Maturity Guide. \$5.00.

Trust Companies—Their Organization, Growth and Management. Clay Herriek. \$4.00.

Savings Bank and Its Practical Work. Wm. H. Kniffin, Jr. \$5.00.

Practical Treatise on Banking and Commerce. George Hague. \$3.00.

Banker in Literature. Johnson Brigham. \$2.00.

Bank Directors—Their Powers, Duties and Liabilities. John J. Crawford. 50c.

Credit Currency. Elmer H. Youngman. 50c.

Natural Money. John Raymond Cummings. \$2.00.

Two Thousand Points for Financial Advertising. T. D. MacGregor. \$1.50.

All or any of the above books will be sent, carriage prepaid, by

THE CHICAGO BANKER,

407 Monadnock Building, Chicago.

Department of New Business

NORTHWEST

Elmwood, Ill.—The First State and Savings Bank has been organized with \$25,000 capital.

Indianapolis, Ind.—The South Side Bank has been incorporated with \$25,000 capital. Paul E. Taylor, F. A. Pearson, W. H. Zalsler, P. C. Greene, and C. B. Marshall are the directors. Mr. Taylor is cashier.

Kaleva, Mich.—The Bank of Kaleva has been organized here by B. Billman & Sons, bankers. The officers are: Ellsworth B. Billman, cashier, Charles Billman and Elmer B. Billman, directors.

Emerald, Wis.—The State Bank of Emerald has been incorporated with a capital stock of \$10,000. Among the incorporators are: W. S. Fleming, Alexander Fleming and Edward Peterson.

Lyndon, Wis.—The Lyndon State Bank has obtained a charter. D. J. Puffer, T. S. Lawler and R. H. Laabs are interested.

Lake City, Minn.—The Security State Bank has been organized with J. A. Wright as cashier.

Edgerton, Mo.—The Citizens State Bank has been organized with \$25,000 capital and \$5,000 surplus. L. S. Newman is president. W. T. Elliott, vice-president, and Edwin Thatcher, cashier.

Lecomma, Mo.—The Citizens Bank of Lecomma has been incorporated with a capital stock of \$10,000. Among the incorporators are: E. C. Comstock, D. K. Chamberlain and Frank Adams, of Rolla, and S. B. McClure, of Lake Springs.

Ethel, Mo.—The Farmers and Merchants Bank has been incorporated with \$10,000 capital. J. S. Burns and W. T. Ball of Ethel, and R. T. and T. R. Ball of New Boston, are interested.

Taylor, Mo.—The Bank of Taylor has been organized with the following directors: A. Frowein, J. A. Dearing, C. B. Young, C. E. Cason.

Bedford, Mo.—The Bank of Bedford is new. Herman Hild and J. P. Alexander are interested.

Hayesville, Iowa.—The Hayesville Savings Bank, just organized, has the following officers: George Richardson, president, and G. S. Griffin, cashier.

Luverne (via Dazey), N. D.—The Pioneer State Bank has been incorporated with a capital stock of \$10,000. C. A. Warner, J. A. Palfrey, and C. S. Moores, of Hope, N. D., and J. C. Foley, of Luverne, are interested parties.

WEST

Denver, Colo.—The Guardian Trust Company has been organized here with a capital stock of \$100,000. The institution is to open for active business May 1st in the National Safety Vault Building, 1536 Welton Street.

Exeter, Neb.—The Farmers and Merchants Bank has been organized with \$25,000 capital. J. V. Asabelle, Frank Ainsworth, S. F. Nunecker and William Jessin are interested.

Headsburg, Cal.—The Farmers and Mechanics Savings Bank has been organized with a capital stock of \$48,000. Among the directors are: Eli Bush, J. T. Coffman, J. H. Gunn, Joseph A. McMinn, Edward B. Snook and others.

Fort Bragg, Cal.—The Fort Bragg Commercial Bank is organizing with \$50,000 capital. The directors are: D. Brandon, C. W. Mathews, L. C. Gregory, B. A. Lendrum, M. H. Iverson, J. W. and H. P. Preston. H. P. Preston is cashier.

Camas, Mont.—The Camas State Bank has been incorporated with \$20,000 capital.

Big Piney, Wyo.—The State Bank of Big Piney has been organized.

Columbus, N. Mex.—W. C. Hoover, A. I. Boyd, S. S. Waterbury, and I. M. Hoover are organizing a bank.

SOUTH

Molino, Fla.—The Molino State Bank has been organized at this place with a capital stock of \$15,000. H. C. Jacobi is president; W. C. Barrineau, first vice-president; Fred Johnson, second vice-president, and A. V. Harris, cashier.

Greenville, Miss.—The Lakes East End Bank has been incorporated with \$35,000 capital. R. H. Lake and T. G. Lake are interested.

Axtell, Texas.—The First State Bank has been organized with \$10,000 capital. W. W. Warwick and W. M. Nickels are interested.

Selma, N. C.—The Peoples Bank has been organized with \$50,000 capital. L. D. Debnam, W. A. Green, E. W. Richardson, W. B. Driver, J. W. Futrell, and C. W. Horne are interested.

Centenary, S. C.—The Bank of Centenary has been organized with \$25,000 capital. D. S. Brooks, A. F. Woods, W. H. Daniels, and Henry Mullins are interested.

EAST

Providence, R. I.—Brown & Lisle have opened a private bank. Cyrus P. Brown was for many years associated with the Industrial Trust Company, having lately been president. Frank D. Lisle was associated with Pierce & Co.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 31)

E. J. Curtin of Iowa for the vacancy on the agricultural committee, so he will be on also. Oh, it will be a merry party.

JOHN J. SHERMAN of Wisconsin, and either wife or daughter will be on board.

THAT picture of Edward Tilden printed in the Daily News looked about ten years young. Or was it the effect of the verdict?

DAVID McKEY, Davenport, railroad builder and banker, was a Chicago visitor this week. His group has put him in the running for a place on the A. B. A. council, and either he or Henry Carpenter will enter the lists with your Uncle Dinwiddie, who has erected his banner in the southwest corner of the state. Remember, boys, no still life candidate, merely in a receptive mood, will stand a chance against the Cedar Rapids veteran.

SO'WEST breezes say "Dick" Hawes is to be the next treasurer of the Missouri association. Custom is to "progress" the treasurer through to the presidency.

STORY from Minneapolis is that a big insurance promotion, up there, flattened out when three big bank presidents—Decker, Prince, and Chamberlain—"intervened" for the "investors."

THEY did what La Follette did to Kohl-saat—asked for details. Fakers cannot stand for the inquiry business. Ought to be a "blue sky" law in every state.

OHIO will meet at Hotel Breakers, Cedar Point, again this year, on July 2d-3d. Bring your firecrackers, and stay over.

CASHIER.

W. T. Ford has been elected president of the First State Bank of Kerrville, Texas.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

of this year, deposits in creased \$109,000. The bank is fortunate in having many strong men on its board of directors, and is being managed conservatively. Deposits at the present time are around \$400,000.

PRESIDENT McCABE sets forth very strongly in all of his published matter the fact that the bank is organized under the laws of the state, and is under state supervision. The legal requirements in his case are the same precisely as for state banks in the city of Chicago. For a bank, which will not be a year old until April 8th, the Lake View State seems to be doing quite well.

KENTUCKY BANK AND TRUST COMPANY, at Madisonville, was organized March 4, 1901, with a capital of \$50,000. It has paid more than \$60,000 in dividends, and carries an earned surplus of over \$22,000. This bank is depository for the postal savings banks at Madisonville and Hopkinsville.

IN all western Kentucky it would be difficult to find a stronger institution. As a result of the panic of 1907 it took over a local bank, and paid off its depositors in full—something like \$350,000.

MADISONVILLE is the center of a large bituminous coal field, and the Kentucky Bank and Trust Company furnishes the payroll money for about two-thirds of the operating companies. Its dividend rate is 8 per cent, but in 1910 a cash dividend of 40 per cent was declared. W. J. Ruby is the president; P. B. Ross is cashier and J. M. Hoffman assistant cashier.

SECRETARY P. W. HALL, Iowa, has sent out notice of group meetings as follows: Group 1 at Sheldon on May 2d; Group 3 at Northwood on May 15th; Group 4 at New Hampton on April 25th; Group 5 at Council Bluffs on May 7th and Group 8 at Clinton on May 9th. Groups 7, 10 and 11 held their conventions in February; Groups 2, 6, and 9 have not selected their dates.

BANKERS will be glad to learn that W. O. Jones of the National Park Bank, New York, rapidly has been recovering his health and strength at a famous western resort.

EUGENE SNOWDEN, who travels out for the National Bank of Commerce from St. Louis, reports favorably on the Delta Penny Savings Bank at Indianapolis, Miss. This bank is conducted by negroes, and for negroes alone. It has a capital and surplus of \$40,000; the deposits are \$95,000. Mr. Snowden says that it is managed conservatively, and is entitled to the confidence of other banks.

D. ARTHUR BOWMAN of St. Louis arrived in Chicago yesterday morning to attend the meeting of the investment bankers committee appointed to consider further the matter of becoming a section of the American Bankers Association. This is the movement set on foot largely by George B. Caldwell of this city.

INCIDENTALLY Mr. Bowman is marketing a choice issue of 5 per cent, thirty-year gold bonds of the St. Louis & Southwestern Railway system, embracing the Stephenville North & South Texas Railway Company. The bonds are being marketed at 97½, and are redeemable on ninety days' notice at 105. Mr. Bowman believes this to be one of the most attractive issues he has offered to the public.

SOL. WEXLER AND MRS. WEXLER are coming by way of Chicago to join the western party on the special train to the Briarcliff meeting. A. V. Lane of Texas also will come up and go by way of this city. We

are sorry for J. W. Hoopes, in that his state convention will be held on the same dates covered by the Briarcliff meeting. Mr. Hoopes is head of the secretaries' section, and thus is a member of the big council.

J. H. JOHNSON, president of the Peninsular State Bank of Detroit, still is lingering in the South. He has made trips north upon occasion, and will return in time to catch the Briarcliff special at Toledo.

F. W. FOOTE of Hattiesburg, Miss., will be in New York a week or ten days in advance of the Briarcliff meeting, otherwise he would be very much pleased to join his western associates on the trip east. Chairman Joseph Chapman, Jr., has called a meeting of the agricultural committee at Briarcliff, and notices will be sent out to all members to get ready. Among the new attendants at Briarcliff will be Solomon A. Smith, vice-president of the Northern Trust Company of this city. He is serving in the trust company section.

GEOERGE F. ORDE and Joseph Chapman, Jr., will bunk in one compartment. Most of the bankers are showing extremely good nature in doubling up in this way in order to take full advantage of the all-steel compartment cars.

P. W. GOEBEL of Kansas City and Anton Marble of Cheyenne will share a compartment. Your old friend, E. D. Durham of Onarga, "snores so out of tune" that he declines to inflict himself upon a room-mate: he will go it alone.

ANOTHER strong Northwestern team is J. W. Wheeler of St. Paul and H. P. Beckwith of Fargo, N. D.; they will travel together.

AMONG those who have signified their intention of being accompanied by their wives are John L. Hamilton of Hoopston; J. Fletcher Farrell of Chicago; C. J. Hutcheson of Kansas City; E. R. Fancher of Cleveland, and J. H. Johnson of Detroit.

SOMEONE facetiously made a reservation for "Luther Drake and wife of Omaha." Just as a punishment the committee is giving this crusty old bachelor an upper berth. T. R. Preston of Chattanooga and A. V. Lane of Dallas will share a compartment. J. R. Downing of Georgetown, Ky., S. W. Reyburn of Little Rock, E. R. Gurney of Fremont, Neb., and Nelson H. Green of Moline, each will be accompanied by his wife.

A Time to Buy Bonds

An opportunity is now afforded to obtain first-class municipal and corporation bonds on attractive terms. Safeguarded by the most stringent and exacting requirements, obligations of these classes present to the investor every incentive for immediate purchase.

Among the bonds which we are offering at this time, some of which are obtainable in \$500 and \$1000 bonds, may be mentioned:

TO YIELD FROM 3% TO 4% PER CENT.

	Paying About
City of Saint Louis, Missouri, Public Works 4s	3.88%
City of Chicago, Illinois, Corporate 4s	4.10%
City of New York Obligations (All issues)	4.12%
Central Pacific First Ref'g 4s (1949)	4.15%
City of Memphis, Tennessee, Board of Education 4½s (1959)	4.25%
Galveston, Harrisburg & San Antonio (Mex. & Pac. Div.) 5s (1931)	4.40%
City of Ferguson, Missouri, Improvement 5s (Various)	4.50%

TO YIELD FROM 4% TO 6 PER CENT.

City of Fort Worth, Texas, Municipal 5s (1951)	4.50%
St. Louis & San Francisco R. R. Equipment 5s (Gtd. by Am'n Car & Foundry Co.)	4.70%
Detroit Edison First 5s (1933)	4.85%
Chicago, Rock Island & Pacific Ref'g 4s (1934) (Various)	4.70%
Saint Louis Southwestern Railway System (Central Arkansas & Eastern First Mortgage 5s, 1940)	5.15%
Springfield (Mo.) Ry and Light First Lien R'l'g 5s (1926)	5.45%
United Ry's of St. Louis General First 4s (1934)	5.05%
Street's Western Stable Car Equipment First 5s (1916)	6.00%

We have a host of other issues, which we own and can offer to the discriminating investor. We have merely taken the above as a typical selection of bonds from the large number on our list. We should be very glad to add your name as a permanent and valued client of this firm.

D. Arthur Bowman & Company INVESTMENT BANKERS

Third National Bank Building ST. LOUIS, MO.

W. T. FENTON, wife and daughter are enjoying their first visit to California. They fell in with Arthur Reynolds and his Big Six-Piece, and "Sir Arthur knows the ropes," when it comes to roads and good places to eat.

G. M. AND MRS. REYNOLDS have come over from San Diego to the Raymond at Pasadena, and plan to start for Chicago April 2d.

JOHNN PERRIN, a citizen now of California, along with Arthur Reynolds spoke before the Twilight Club of Pasadena, on the currency issue.

CALIFORNIA always has been deeply interested in the new plan, feeling that they would benefit greatly by it. You see, Andrew J. Frame hasn't been out that way yet with his mighty snickersnee.

F. O. WATTS, when in New York putting over his big electric and water power deal, called on Charles H. Huttig and found him getting on so nicely that he expects to see him back in St. Louis completely cured. It will be good news at both ends of the big bridge, and all over, for that matter.

CHAPMAN AND CULVER are going to call the second annual conference on agricultural and educational issues for St. Paul and Minneapolis, for the second week in August, and will try to break last year's record. Arrangements will be much as before, and we choose early to ride over from Minneapolis to St. Paul in Arthur Roger's big six again.

THERE is a vacancy on the agricultural committee of the A. B. A. by means of Mr. Gurney going off, and everybody suggests E. J. Curtin of Iowa as the man for the job.

WHAT do you think of Girard Trust, Philadelphia, selling at \$1002 per share?

THERE hasn't been and isn't to be any change in the line-up at the First National, Red Oak, Iowa. Chas. T. Schenck was elected president more than a year ago and the bank is prospering nicely, thank you!

IF you can't get a good hotel at Detroit what's the matter with Mt. Clemens, only thirty minutes out, and containing some of the finest in America? Then there are the baths, too—good for what ails you.

IT must have caused old Sereno E. Payne a real one when he saw that 40 per cent cut in the wool schedule?

WE are told that the berry growers voted, not to raise the prices but the bottom of the box—a little nearer the top. Soon they will hold more when wrong side up.

"WHAT is it that has 'made the Roosevelt movement impossible?' writes in an angry reader, quoting our own words. On the dead quiet, we think it was the Colonel.

CHAIRMAN J. W. HOOPES of the secretaries section has appointed his long expected committee on insurance, as authorized by the section at New Orleans. They are Chas. R. Frost of Minneapolis, Wm. B. Hughes of Omaha, and G. D. Bartlett of Milwaukee, Mr. Frost being the chairman.

THIS is a specially competent body, and something more than a "fine report" will be expected.

HENRY S. HENSCHEN will not be "one of us" on the Briarcliff jaunt for, on April 17th, he will start for a two months' tour of Europe. Sorry!

YES, George C. Power, St. Paul, has "fixed it" so he can be on the Briarcliff special, and the administrative committee has named (Continued on page 30)

ALL BRANCHES OF BANKING



1857

1912

ORSON SMITH - - - President	P. C. PETERSON	Assistant Cashier
EDMUND D. HULBERT, Vice-President	C. E. ESTES - - -	Assistant Cashier
FRANK G. NELSON - Vice-President	LEON L. LOEHR	Sec'y and Trust Officer
JOHN E. BLUNT, Jr. - Vice-President	F. W. THOMPSON, Mgr. Farm Loan Dep't	
J. G. ORCHARD - - - - - Cashier	H. G. P. DEANS - - -	Mgr. Foreign Dep't

CAPITAL AND SURPLUS - \$9,000,000



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

THE NATIONAL CITY BANK OF CHICAGO

Capital - - - - -	\$ 2,000,000.00
Surplus and Undivided Profits	587,563.63
Deposits - - - - -	30,713,013.20

OFFICERS

ALFRED L. BAKER - Vice-President	DAVID R. FORGAN, President	HENRY MEYER - - - Assistant Cashier
H. E. OTTE - - - Vice-President	A. W. MORTON - - - Assistant Cashier	WM. N. JARNAGIN - Assistant Cashier
F. A. CRANDALL - - - Vice-President	WALKER G. McLAURY - Assistant Cashier	R. U. LANSING - Manager Bond Dept.
L. H. GRIMME - - - - - Cashier	W. D. DICKEY - Assistant Cashier	M. K. BAKER - Asst. Manager Bond Dept.

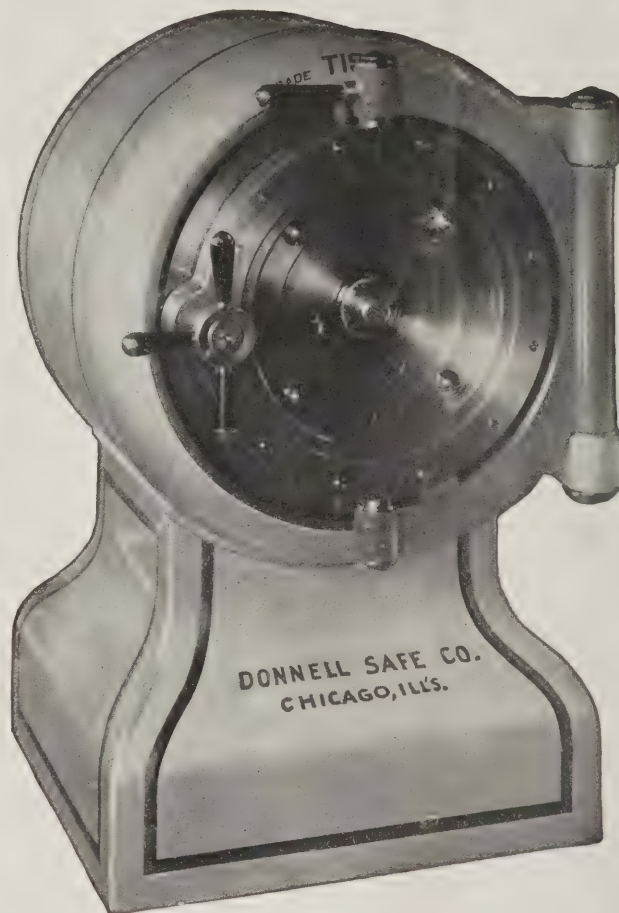
Fourth Street National Bank OF PHILADELPHIA

Capital - - - - -	\$3,000,000.00
Surplus and Profits	6,500,000.00

**UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED**

SIDNEY F. TYLER, Chairman of the Board	FRANK G. ROGERS, Vice-President
E. F. SHANBACKER, President	R. J. CLARK, Cashier
JAMES HAY, Vice-President	W. A. BULKLEY, Assistant Cashier
B. M. FAIRES, Vice-President	W. K. HARDT, Assistant Cashier

Donnell Safe Co.



General Western Agents for the York Safe & Lock Co., who have the best-equipped safe factory in America. Their Manganese safes are superior to any in the market. We sell these safes subject to a test against any Manganese safe made and will guarantee all our work equal, if not superior, to any made. We can refer you to any banker in Chicago. We carry the largest stock of bank safes in Chicago. Burglar vault doors, vault linings, burglar safes that have been used always on hand. A large lot of second-hand deposit boxes that are modern and good as new.

227-229 Washington St., Chicago, Illinois

The Girard National Bank OF PHILADELPHIA

Capital - - - - -	\$2,000,000.00
Surplus and Profits	4,585,000.00
Deposits - - - - -	40,000,000.00

FRANCIS B. REEVES, President

RICHARD L. AUSTIN	JOSEPH WAYNE, Jr.
Vice-President	Cashier
THEO. E. WIEDERSHEIM	CHARLES M. ASHTON
Second Vice-President	Asst. Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

APRIL 6, 1912

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10 CENTS A COPY

Orson Smith

Orson Smith, president of the Merchants Loan and Trust Company of Chicago, contemplates making a trip to Europe some time this month. The trip will be in the nature of a vacation and Mr. Smith expects to be away about two months.

COMMITTEE TO GO TO BRIARCLIFF

Chairman Geo. B. Caldwell, vice-president of the Continental Trust, Chicago, has named a special committee to wait on the constitutional amendment committee of the A. B. A., at Briarcliff on May 6th to present the claims of investment bankers of the country to become a section of the big organization. Those named are Geo. B. Caldwell, chairman ex officio; Eugene M. Stevens, of Stevens, Chapman & Co., Minneapolis, Minn.; D. Arthur Bowman, of D. Arthur Bowman & Co., St. Louis, Mo.; George W. Kendrick, 3rd, of E. W. Clark & Co., Philadelphia, Pa.; Allen S. Hoyt, of N. W. Halsey & Co., New York, N. Y.; H. W. Briggs, of E. H. Rollins & Sons, Boston, Mass.; C. T. Williams, of the Fidelity Trust Company, Baltimore, Md.; W. S. Hayden, of Hayden, Miller & Co., Cleveland, Ohio.

Messrs. Caldwell, Stevens and Bowman will go east on the Briarcliff Special, leaving Chicago over the Lake Shore, May 4th at 2:30 P. M.

BANKERS TO TALK ON SUPERVISION

On April 10th, under the auspices of the ways and means committee of the Chicago Association of Commerce, B. F. Harris of Champaign, Ill., president of the Illinois Bankers Association, and William T. Abbott, vice-president of the Central Trust Company of Illinois, and a member of the Chicago bar, will discuss the subject of state supervision over banking and allied interests at the regular noon-day meeting of the committee to be held in the main dining-room of the LaSalle Hotel. All of the members of subdivision II, banks and bankers, of the association are requested to be present.

ATTRACTIVE BOND OFFERING

Greenebaum Sons Bank and Trust Company, of Chicago, are offering \$5,000,000 worth of bonds of the Mortgage Bond Company of New York. The offer is made in connection with Ladenburg, Thalmann & Co., of New York. The bonds are secured by mortgages on improved real estate in nineteen cities. They are selling at par, and application will be made to list them.

STANLEY ADAMS

Stanley Adams, formerly a Louisville business man, recently has made a connection with the house of H. T. Holtz & Co., dealers in municipal bonds.

McCrum-Howell REORGANIZATION

Herman Waldeck, vice-president of the Continental and Commercial National of this city, A. H. Wiggin, president of the Chase National and John C. McKeon, vice-president of the

Banker Heads Taft Forces in Illinois



FRANK L. SMITH

DWIGHT, ILL.

COL. FRANK L. SMITH, president of the First National of Dwight, who is the Taft campaign manager for the State of Illinois, has devoted his personal attention to the president's cause for the past four weeks. Colonel Smith has gone over the situation most carefully and is justly optimistic as to the outcome and now feels certain that the splendid administration of President Taft will receive the unqualified endorsement of the people of Illinois. Colonel Smith's career in politics as well as in business has been characterized always by clean methods and over and above board policies, and his selection as the Taft campaign manager is a credit to the bankers of Illinois in general. Together with D. R. Forgan, who leads the city forces, Colonel Smith is being warmly supported by the banking interests of the entire state.

National Park Bank of New York, have been appointed on a committee to work with the receivers in the matter of the reorganization of the McCrum-Howell Company. It is said that the committee was selected by E. R. Settinus, one of the receivers, who has taken an

active part in the affairs of the company, and who was the first receiver to qualify. Mr. Waldeck states that in serving on this committee he is entirely disinterested, as neither he nor the Continental and Commercial is a creditor of the McCrum-Howell Company.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

OFFICERS
GEORGE M. REYNOLDS President JOHN JAY ABBOTT Vice-President GEO. B. CALDWELL Vice-President CHARLES C. WILLSON Cashier FRANK H. JONES Secretary WM. P. KOPF Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
Circulars on application

105 South La Salle Street

CHICAGO

WEIL, ROTH & CO.

CINCINNATI AND CHICAGO

Municipal BONDS Netting 3.80 to 5.50%

Corporation BONDS Netting 5 to 6%

Short or Long Maturities

INQUIRE FOR LIST OF OUR HOLDINGS

115 South La Salle Street

CHICAGO

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital - \$2,000,000

Surplus - 500,000

Deposits - 26,200,000

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARWELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
THOMAS E. NEWCOMER, Asst. Cashier
HARRY LAWTON, Manager Foreign Department

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908 \$ 9,887,954.84
February 5, 1909 11,617,691.24
March 29, 1910 15,041,357.21
March 7, 1911 21,574,956.79
June 7, 1911 23,137,746.88
September 1, 1911 24,500,075.82
December 5, 1911 25,445,199.89
February 20, 1912 26,207,446.32

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Drovers Deposit National Bank

OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-eight years rendered Efficient and Quick Service to its Correspondents

Resources, Nine Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER
GEO. M. BENEDICT
WM. C. CUMMINGS



Mainly About Banks and Bankers

HOTEL kickers are notified that a hotel committee has been appointed in Detroit to fix you up for the convention in September. The names are Chas. R. Dunn of the Mercantile Trust; Charles H. Ayers of the Peoples State; Elmer E. Ford of the Old Detroit National; L. C. Sherwood of the Dime Savings and John W. Staley (chairman) of the First National.

ONE plan is to tie up the big Detroit 3rd at the nearest dock with its 400 rooms, elevators, baths and unrivaled cuisine. The better plan is the fast express trolleys to Mt. Clemens. Good hotels there, and no stops on the 25-minute ride on special cars.

CHAIRMAN JOHN L. HAMILTON has called his special committee to meet at Briarcliff and has made reservation on train for W. P. Manly, Sioux City, Ia., and C. Q. Chandler of Wichita, Kan.

LUCIUS TETER will go to Briarcliff one day behind the Special on account of the opening of the new Hamilton Club building on Saturday evening, May 4th. Mr. Teter is a director and quite active in the club.

WD. VINCENT will not join the bunch. but for a very different reason. The Vincent family residence out on the boulevard is undergoing expansion. What Mr. V. calls a "lean-to" is being added. Sorry, old man!

JOHAN BURIANEK of the Peoples Savings, Cedar Rapids, has started a school savings department, and sends to the schools once each week, a supply of stamps. In the first four visits 75,000 stamps were sold. Incidentally the deposits of the bank went up \$24,000 for the month, being now \$1,024,000.

J. F. SARTORI, Los Angeles, chairman of the executive committee of the savings bank section, will be one of the longest traveled delegates at Briarcliff. J. C. Drake of the same city will go on the Special.

ON Friday morning, at the Buffalo convention, Director Geo. E. Allen is to make an address, and immediately thereafter the visitors are to be taken on a "restful" trip to and under the falls. Can't see any possible connection between these consecutive numbers, but those who have heard Allen may?

ANOTHER thing. Arthur Brisbane, who emits the thought waves for the Hearst publications, has been sandwiched in on the Buffalo program between two ministers. A sort of before-and-after taking provision.

GEORGE M. REYNOLDS "will address the convention." They used to put him down for "a talk," and the very first thing you know some smart secretary will bill him as "orator of the day." Nothing bigger on the card on banking topics.

WT. FENTON, just returned, was one of the "colony" at Pasadena, this winter. It is said that he, and Perrin, and both G. M. and Arthur Reynolds spent days together

without once talking shop or the currency plan. Hard to believe.

JOHAN PERRIN is coming to the Briarcliff meeting, all the way from 480 South Orange Grove Avenue, Pasadena, Cal., and will go east from Chicago on the "Special."

ONE thing they enjoyed was the snow cartoon in the Chicago papers. It was so different in Pasadena.

J. L. HARTMAN, Portland, will be in Boston, shining up his mentality for a whole week, before joining his brethren at Briarcliff. In addition to being on the "Big Council" he is secretary of the Oregon association.

GALESBURG was shocked on Saturday evening last by the sudden death, at a railway ticket window, of her best-known citizen, Alderman J. T. McKnight, who at the time of his death was vice-president and a director of the Peoples Trust and Savings. At one time he was president of the Second National.

IN everything which was for the advancement of Galesburg and her citizens, he was a leader. He served in the city council since 1896, and might have been mayor, but declined on account of advancing age.

ALL sorts of devices have come to hand, gotten out by the candidates for political offices. One of the most attractive is that distributed by the advance agent of Andrew Russell, who is a candidate for the republican nomination for state treasurer. This is a top, on the rim of which appears the Russell announcement. Then the words, "Spin for Russell" also appear, when the top gets in motion.

THE tops are well made and certainly do spin. Anxious fathers will find them an excellent thing for the amusement of the children. This is a new fashioned way of stealing into the homes and making one's self solid with the family and far surpasses kissing the baby. Andrew is a very sly fellow.

THE banking interests of Illinois never were lined up politically by bankers so carefully as they have been this year. Col. Frank L. Smith, president of the First National at Dwight (Ill.), is leading the Taft forces in the state, and D. R. Forgan, president of the National City Bank, is performing the same office for the voters of Chicago.

ON the various state tickets to be fought for at the primaries on April 9th will be found the names of Andrew Russell, L. L. Emmerson and Charles C. Craig, all well-known bankers and business men. It would seem that this year the banker is taking almost as much interest in politics as he is in the farmer.

GEORGE HOYLES DUNSCOMB is thoroughly trained in the banking business since the age of fourteen, when he began service with the Exeter branch of Molson's bank in Canada. It is said that he has been interested in gold mines, hotels and other ad-

ventures, and that he perfected himself as an accountant in night schools. In the past three years he has done a great deal to develop the First National's system of travelers' checks, and probably to his efficient work in that department may be attributed his advancement.

THE staff of the First National of this city shows three new names of assistant cashiers promoted from the general force.

R. FRANK NEWHALL also has been added to the list, his honors probably having been won in the open field by careful productive work done at bankers conventions and group meetings. He lives at Wheaton, and is a Methodist and a golfer. He has a very wide acquaintance among bankers.

FRANK R. McKAY is a transit expert of practically national reputation. He has had much to do with perfecting and securing the adoption of the numerical transit system by the American Bankers Association, and is an enthusiastic golfer also. For several years he has attended the annual conventions of the A. B. A. His companions feel that he merits the promotion.

WARE & LELAND, in addition to the usual weekly financial review, issued this week a special review of the Southern Railway Company, its resources and securities. Anyone feeling an interest in this property or in that section of the country will find almost everything he wants to know in this circular, which will be sent on application.

WARE & LELAND find, in the general presentation of conditions, that there is a better feeling on the part of merchants all over the country, and that business is improving. Railroad earnings have been making a better showing recently.

LEE, HIGGINSON & CO. sent out a very attractive bond circular for investors, under date of April 1st. The list is "not a joke," but contains particulars about the high-grade securities handled by this firm.

CURTIS & SANGER, 122 South LaSalle Street, this city, will send you a quotation sheet on a standard bond list covering all of the reliable issues.

"THE MINNESOTA SOCIALIST," described as the "official paper of the public ownership party of Minnesota," is out after "Farmer" Joseph Chapman, Jr., with a gun. The "Socialist" charges that Chapman, and his friends among the bankers, want everybody to return to the farm except the bankers, and that their sole purpose is to congest the population on the farming lands so that there will be more deposits, more loans required and better and cheaper living furnished to the bankers. Mr. Chapman is large minded enough to enjoy the article along with the rest of us.

NATIONAL PRODUCE BANK OF CHICAGO continues to declare its 1½ per cent dividend regularly each quarter.

(Continued on page 31)



COLONIAL TRUST & SAVINGS BANK

La Salle Street, N. E. Corner Adams, CHICAGO

JACOB MORTENSON, Vice-President
EMIL STUEDLI, Assistant Cashier
W. F. DOGGETT, Assistant Cashier

LONDON CABELL ROSE
President

R. C. KELLER, Vice-President and Cashier
H. A. SADLER, Assistant Cashier
WM. J. FELDMANN, Assistant Cashier

We offer a convenient and efficient service to those desiring a Chicago connection

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

JOHN A. LYNCH, President	W. T. FENTON, Vice-President
R. M. McKINNEY, Cashier	O. H. SWAN, Asst. Cashier
JAMES M. HURST, Asst. Cashier	WM. B. LAVINIA, Asst. Cashier
W. H. HURLEY, Asst. Cashier	WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.	

THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-eight years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-President	R. F. NEWHALL, Assistant Cashier
JOHN F. HAGEY, Assistant Cashier	G. H. DUNSCOMB, Assistant Cashier

FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President	FRANK W. SMITH, Cashier
CHARLES L. HUTCHINSON, Vice-President	JOHN C. NEELY, Secretary
D. A. MOULTON, Vice-President	J. E. MAASS, Assistant Cashier
CHAUNCEY J. BLAIR, Vice-President	JAMES G. WAKEFIELD, Assistant Cashier
B. C. SAMMONS, Vice-President	LEWIS E. GARY, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

DIRECTORS		
Charles H. Wacker	Charles H. Hulburd	Martin A. Ryerson
Clarence Buckingham	Edwin G. Foreman	Benjamin Carpenter
Edward A. Shedd	Frederick W. Crosby	Charles L. Hutchinson
Edward B. Butler	Chauncey J. Blair	Watson F. Blair
	Ernest A. Hamill	Clyde M. Carr

The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

DIRECTORS

A. C. BARTLETT	MARVIN HUGHITT	ALBERT A. SPRAGUE
WILLIAM A. FULLER	CHARLES L. HUTCHINSON	SOLOMON A. SMITH
ERNEST A. HAMILL	MARTIN A. RYERSON	BYRON L. SMITH



**A STRAIGHT LINE IS THE SHORTEST
DISTANCE BETWEEN TWO POINTS**

**HAVE YOU A DIRECT LINE ON
YOUR LIVE STOCK BUSINESS?**

**THE BEST AND QUICKEST SERVICE THEREON
— BECAUSE DIRECT — IS SUPPLIED BY**

**THE LIVE STOCK Exchange National BANK
OF CHICAGO**

Florida Bankers Big Meet at Key West

**Address by President
F. F. Bardin and report
of John T. Dismukes on
the New Orleans conven-
tion. Other proceedings**

The two day's session of the Florida bankers convention opened at the Masonic Temple, Key West, on Thursday morning, at nine o'clock. The president called the meeting to order and presided. Dr. J. N. Fogarty, mayor of Key West, welcomed the delegates and the response was made by the Hon. W. S. Jennings, after which President F. F. Bardin delivered his annual address. Secretary Geo. DeSaussure then made his annual report, and was followed by John T. Dismukes of St. Augustine, who delivered a very interesting report as member of the A. B. A. executive council for Florida. The address of the day was made by the Hon. Geo. Bowne Patterson, whose subject was, "Key West, Its Resources and Its Future." The meeting was concluded at one o'clock by reports of committees and new business. In the afternoon the visitors were left free to amuse themselves as they would, either driving, visiting places of interest or fishing. In the evening a large banquet was held, at which, Geo. W. Allen acted as toastmaster.

The meeting of Friday convened at nine o'clock. After the reports of the committees, the officers for the ensuing year were elected. The event of the day was the address by Dr. Lincoln Hulley of DeLand, Florida, on, "Bill Introduced in Congress Covering the Recommendations of the Monetary Commission." At the conclusion of the business session the delegates and visitors were driven to the Chase Sponge Farm, at which an ample luncheon was served. The convention was pronounced a great success by all those who attended.

President F. F. Bardin

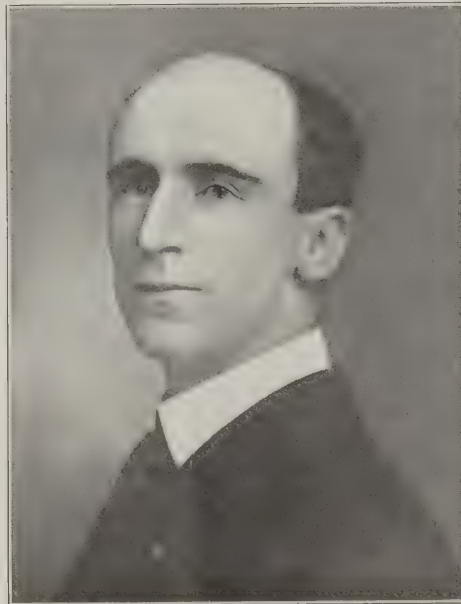
In this beautiful city which has so hospitably welcomed us, we are assembled to hold our annual convention.

The custom adopted five years ago to meet in different sections of the state annually, has become the means of the members becoming better acquainted with the varied conditions and resources of Florida. Our annual conventions bring about the formation of friendships and the exchange of experiences that not only are a personal benefit, but are often of substantial aid in the conduct of our business. It is gratifying to see that there is a steady increase in the membership of our association. During the past year the banks have prospered, and their resources now are larger than ever before.

The sudden death of Hon. A. C. Croom, comptroller of the state of Florida, brought sadness to our hearts, and specially grieved at his loss were those who had been intimately associated with him. He was a man of high character, unimpeachable honor and integrity, and he deserved, and had the loving respect of

all who knew him. As head of the state banking department, he acquitted himself with entire satisfaction to those with whom he was associated, and with credit to himself.

It was our pleasure to make the trip from Miami to Key West over the "Oversea Railroad," which is considered the most unique



F. F. BARDIN
President Florida Bankers Association, Lake City, Florida

piece of railroad engineering in the world. This project was conceived in the mind of Henry M. Flagler, and by him pushed to completion. The citizenship of the state are indebted to Mr. Flagler for the many developments of great magnitude originated and put into execution by him.

The railroad mileage in Florida increased from 3,361 miles in 1900 to 4,861 in 1910, an increase of 40 per cent. Our state leads the United States in the production of fuller's earth. In 1910, we supplied 57.38 per cent of all the fuller's earth used. In 1900, our farm land value per acre was \$7.06, and in 1910, \$17.83, an increase of 153 per cent. The assessed valuation of Florida property in 1900

was \$96,686,954, and in 1910 \$177,723,981, an increase of 84 per cent. For the ten years ending in 1910, the increase in general farm crops was 108 per cent. Florida now leads the world in the production of naval stores and cigars. Our national and state banks from 1901 to 1910 show an increase in the deposits of over 300 per cent.

Every section of our state has developed to an unusual extent during the past few years, and with the new settlers coming in to till our productive soil, we should double in population and wealth within a very short time. The opening of the Panama Canal will add greatly to the shipping and business interests of Florida.

John T. Dismukes Reports A. B. A. Convention

It is my pleasure to-day to express to you my appreciation of the great honor conferred upon me at your last annual convention at Ocala in May, 1911, when I was chosen as Florida's representative upon the executive council of the American Bankers Association. On two former occasions, being elected in open national convention, coming as it did this time at the hands of my neighbors and banker friends from my own state, I feel especially grateful to you, and once again I thank you.

I attended the meeting of the A. B. A. held in New Orleans November last, and it was certainly the largest and most enthusiastic gathering of bankers I ever have seen. Your own state was well represented, but hope to see a larger delegation at the next convention, which meets in Detroit on September 9th. These gatherings, while perhaps conducive primarily to good fellowship, are certainly a source of educational information, meeting as one does people from every section of our own country and frequently men famous in the world's finance from Europe and Canada. The close touch of these friendly gatherings conduces to an interchange of ideas under conditions, which are ideal to a degree, and I respectfully urge every bank in the state to become members of the state and national associations, and when possible to send a representation to each convention.

Before going to the New Orleans convention, knowing that the greatest and most important subject, which would be under discussion there would be the National Reserve Association Plan, I made up my mind to write a paper upon the subject to be read at this meeting, but during the days of the convention, and for weeks thereafter the papers throughout the country were so teeming with reports in full, or short comprehensive extracts of the doings of the convention, that I thought any effort along the line would be a reflection upon your intelligence. Suffice to

**YOUR
BUSINESS
INVITED**

Milwaukee National Bank
of Wisconsin

Capital, \$450,000
Surplus and Profits
\$100,000

The Fourth National Bank of the City of New York

IN every business relation, through prompt, reliable service and its thoroughly systematized equipment, The Fourth National Bank of the City of New York assures its customers exceptional facilities and convenience in the handling of their accounts.

It invites the correspondence of banks, corporations, firms and individuals throughout the country.

CAPITAL AND SURPLUS, \$10,000,000.00

say that the plan outlined by the monetary commission was presented most ably to the convention by Mr. Aldrich, and discussed by many of the prominent bankers in attendance, and so impressed were all with the needs of an accepted system, that when the question of committing the American Bankers Association to the plan outlined was submitted there was one dissenting vote, only.

What struck me more forcibly than anything else at the meeting was the interest in agriculture. It seemed the uppermost thought in the minds of many, especially of those from the great West, Middle West, and the South. I therefore have taken as my subject.

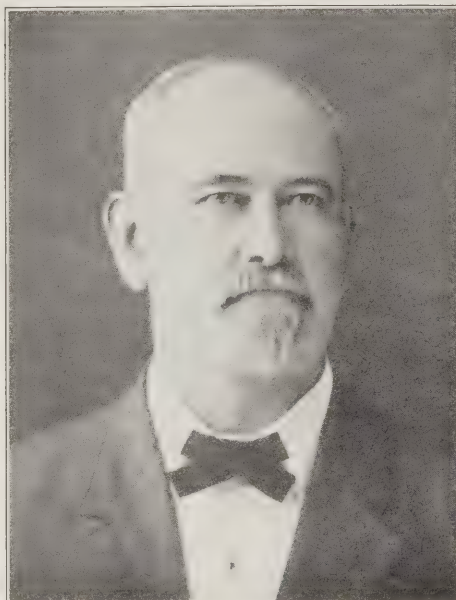
"Agricultural Development in the South"

Louisiana has made wonderful strides along the line of agriculture in various lines, but preëminently so in her rice product. Before 1860, rice as a commercial crop was grown only in the two Carolinas and Georgia, and was made a necessity in Louisiana during the Civil War by the wanton destruction of the industry along the South Atlantic Coast, and while Louisiana, during the war, after 1862, contributed largely to the support of the confederate army, and her home population in her rice products, yet it was not until 1884 that the industry began to assume such large proportions, for in 1880 the crop of Louisiana was only one hundred thousand bushels, and it is estimated that her crop this year, from an area of four hundred thousand acres will be over ten million bushels, returning to her farmers engaged in that industry alone over ten million dollars. Louisiana furnishes over half of the rice grown in the whole of the United States, and the little town of Crowley, between Houston and New Orleans, was not on the map twenty-five years ago, and now controls the rice situation of the world and daily establishes the price in every civilized mart, and though only a place of 5,000 inhabitants, has eight large rice mills with a capacity of ten thousand barrels of clean rice per day, and is known the world over as the Rice City.

Has Something to Say for Florida

Hearing these and so many other good things about Louisiana I felt I must needs take the stump for Florida, and so began with our golden industry, oranges and grape-fruit, but was not allowed to proceed, for some fellow in the crowd who seemed to know it all, yelled out—"Hold on, my friend, no use to talk about oranges for everybody in the United States, except a few people in California, knows that the Florida oranges are the best in the world. Give us something new about Florida." So they agreed to listen to an Irish potato talk, and I told of my county (St. Johns county, St. Augustine being the capital), which was settled four hundred years ago, and which probably up to fifteen years ago had not in its whole history shipped out a hundred carloads of agricultural products, had last year, from the little town of Hastings, shipped one hundred and seventy-five thousand barrels of Irish potatoes.

Twenty years ago, Hastings was not on the map, and twenty-three years ago, nineteen thousand acres of land, which included the present site of Hastings, was sold at sixty-five



JOHN T. DISMUKES
Member A. B. A. Executive Council for Florida, St. Augustine, Florida

cents per acre. The unimproved land in that section now sells readily from \$15 to \$50 per acre, and cleared lands from \$100 to \$250 per acre, according to the character of improvements. They have in cultivation this year over four thousand acres (just one hundredth

part of the Louisiana rice area), from which a yield of 250,000 barrels is expected, and a money return of three-quarters of a million dollars. Hastings has a population of about five hundred, and has been incorporated only two years. They have a good bank under state charter, a first class hotel, an ice and cold storage plant, the largest barrel factory in the state, besides various other industries.

Crop Rotation Succeeds

The soil is a light rich loam with underlying heavy clay from twelve to fifteen inches from the top, which has a tendency to hold the fertilizer, which is used for the potato crop, which is planted between January 20th and February 10th, and usually harvested from April 20th to May 20th. The corn planter follows in the wake of the potato digger, and the yield usually gathered in September, and early in October averages, thirty-five bushels to the acre, a few extra crops going as high as fifty bushels to the acre, and vying in appearance with the corn fields of Illinois and Indiana. We have two staple crops from the land in one year, with no winter day so cold nor summer day so hot that a healthy man could not put in a full day, and with fuel so cheap that the suggestion of a strike in the coal fields does not even suggest a chill.

To guard against the uncertainty of weather conditions, the fields are all well ditched for draining purposes, which are closed during the periods of drought and flooded from the artesian wells, of which there are several hundred in that immediate vicinity; a five-inch well furnishing from 500,000 to 1,000,000 gallons of pure water every twenty-four hours. These wells range from 175 to 275 feet in depth, and water rises in pipes 25 to 30 feet above the ground, and the water is the most healthful in the world. As a matter of fact, since the using of artesian water in cities along the South Atlantic Coast, notably in Savannah and Jacksonville, all febrile diseases have decreased from 40 to 80 per cent.

Hastings is the best known potato section in the United States, and is visited annually by buyers from most of the large cities from St. Louis to New York, and is known as the Potato City, whose product is shipped to every state in the Union, and to distant Alaska. These conditions outlined at Hastings are possible at many points along the Florida East Coast, but have been practically demonstrated there, and hence are not a theory.

Gentlemen, please pardon me if I weary you, but am so devoted to agriculture, and its wonderful possibilities in Florida, that being once wound up, hardly know when I have run down.

A great many years ago a Tennessee judge was called upon to address a farmers' convention at Nashville, Tennessee. My father, who was a banker as well as a farmer, was an intimate friend of the judge. After the address my father went up to congratulate him, and said: "Paul, for a man who doesn't know a plow from a hoe you talk agriculture better than any man I ever heard."

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Capital and Surplus	\$23,000,000
Deposits	\$178,000,000



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Capital, Surplus and Profits, \$5,000,000
Deposits - - - 35,000,000

Accounts of banks and bankers received upon favorable terms

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

MEETING OF GOOD ROADS COMMITTEE

The officers and board of directors of the Illinois Highway Improvement Association met in the Delft Room of the Sherman House on Saturday evening, March 30th, at six o'clock. Chairman W. G. Edens of this city presided. Down-state bankers who attended are S. E. Bradt, vice-president of the First National of DeKalb; C. G. Miller of the Cairo National; Thomas Sudduth, treasurer of the Farmers National, Springfield; H. G. Herget, vice-president of the Herget National, Pekin. Committees were appointed and a campaign of education will be started immediately, with a view of interesting the various elements in the state which are advocating good roads. Big meetings will be held at Cairo, Peoria, Bloomington, Rock Island, Rockford and other points in order to interest the people of those communities.

CAME IN TO SEE THE COLONEL

N. M. Harris, vice-president of the First National of Champaign, and Roy Pendarvis of the State Bank of Media are down-state bankers who visited Chicago to look in on the Roosevelt meeting held here on the 27th.

HAMILTON, AND PATERSON, N. J.

"Why Should We Change Our Form of Government?" President Nicholas Murray Butler's collection of political essays, deals chiefly with such current topics as the referendum, initiative, recall, the Sherman anti-trust law, etc., but it contains one essay on Alexander Hamilton, which recalls a fact that will be news to many. It was delivered as a speech in commemoration of Alexander Hamilton in Paterson, N. J., at the unveiling of his statue there, and it describes Hamilton's identification with the origin of Paterson. Very few people now know that Paterson was created directly by the efforts of Hamilton, who wished to make it the industrial capital of the country, and that the original plans for the city were drawn up by L'Enfant, the French engineer, who made the plans for Washington.

The Laverne State Bank of Laverne, Okla. has been incorporated with a capital of \$10,000. The incorporators are E. F. Gill, M. O. Murphy and J. S. Earle, all of Woodward, Okla.

Bank Guaranty for Wisconsin

The special committee appointed at the 1911 convention of the Wisconsin Bankers Association has just completed and forwarded to Wisconsin banks a tentative plan for the insurance of bank deposits.

At the 1911 convention of that association, Bank Commissioner H. L. Ekern delivered an address upon the subject of "Mutual Insurance of Bank Deposits," and outlined a plan whereby depositors in Wisconsin banks could be made fully as secure as under the proposed guaranty of deposit legislation which was before last winter's legislature. Under the plan proposed by Mr. Ekern, not only would the depositors be as fully protected, but the banks would contribute only such amount as was actually necessary for the payment of losses, and as no depositor in a Wisconsin state bank has lost a dollar through failure of the banks in the past six years, the bankers naturally were opposed to the guaranty legislation, which entailed a specific tax each year whether losses occurred or not. One other objection which bankers made to the proposed guaranty legislation was the fact that all banks must be guaranteed regardless of their condition, and without any right of examination on the part of those who were guaranteeing.

The special committee appointed by the bankers to formulate a tentative plan of insurance of bank deposits consisted of H. A. Moehlenpah, chairman, cashier of Citizens Bank, Clinton; E. A. Dow, president of State Bank of Plymouth; Earle Pease, cashier First National, Grand Rapids; C. R. Thompson, cashier First National, Richland Center, and F. E. Woodard, president of Bank of Watertown. Three state bankers and two national bankers.

This committee held meetings and after several conferences with the commissioner of banking and the commissioner of insurance, has submitted a plan which would seem to combine the element of safety to depositors and actual cost to bankers. The plan as outlined by the committee includes the organization of an insurance company under the title of "Bank Deposit Limited Mutual Insurance Company" with headquarters located at the state capital, and in addition to the usual officers of an insurance company, it is proposed to appoint a force of bank examiners experienced in banking, one at least in each group district, by whom strict examinations of banks will be made in addition to the examinations now made by the banking commissioner, and the local board of examiners. Under the insurance laws of Wisconsin as amended at the last session of the legislature, the organization of such an insurance company is made possible, and as the insurance laws of this state are known to be most conservative, and as this proposed insurance company will be under the supervision of the insurance commissioner as well as under the banking commissioner of Wisconsin and of the comptroller of the currency in case of national banks, and as the management of the company is in the hands of bankers and business men rather than under the control of politicians as so often is the case where a state guaranty law is in force, it would seem as though the plan would meet with the approval of bankers and their depositors.

Membership in this insurance company carries with it the insurance of deposits, and is optional with each bank. Such banks as apply for membership will be examined by the insurance company through its special examiners, and if found in a safe and satisfactory condition will be granted insurance covering its deposits, and will pay therefor an annual premium of 25 cents for each \$100 of deposit. In addition to the premium receipts the in-

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From the premiums received, the expenses of conducting a company, the losses sustained are deducted, and a surplus then is created, after which the remainder of premium payment is returned to the policy holders, no profits to accrue to the insurance company.

The insurance company will insure no bank where interest greater than 4 per cent per annum is paid to depositors, and the plan as outlined by the committee recommends that only 90 per cent of the deposits in any bank be insured where interest in excess of 3 per cent is paid.

In his address before last year's convention, Commissioner Ekern submitted statistics from which some idea of the amount of protection which could be afforded by such a company may be gathered. In 1910 Wisconsin had 510 state banks, and if all should accept insurance of their deposits in accord with the plans submitted by this insurance committee, the company would create a surplus at its organization of \$750,000, and would receive an annual premium deposit by the banks of practically \$350,000 thus giving the company over \$1,000,000 of ready money with which to pay any losses during the first year of its existence, which amount would be increased by from \$350,000 to \$500,000 annually thereafter. Statistics of the total losses sustained by depositors in all the state banks ofconsin during the last fifteen years, which period includes the losses occurring through the severe panics during those dates, amounted to less than one-half this amount.

The above figures are based upon deposits in state banks in addition to which, if the national banks of Wisconsin were to join in taking insurance in the same proportion, the 129 national banks would nearly double surplus and premium payments before mentioned.

The fact that Wisconsin banks have caused so very few losses to depositors in the last half-dozen years does not seem to warrant any agitation of the guaranty question, which

has been so prominent in Oklahoma and other southern states, but the bankers of Wisconsin wish to maintain their banks in the front rank of safe, conservative institutions throughout the country, and they propose to do everything in their power to satisfy all reasonable demands of their depositors.

The insurance plan has been sent out by the committee for suggestions and criticisms by the bankers throughout the state and after giving due consideration to any suggestions and criticisms, the committee expect to revise the tentative plan and submit the revised plan to the July convention of the Wisconsin Bankers Association at its Milwaukee meeting.

INVESTMENT BANKERS SECTION

On the call of George B. Caldwell, vice-president Continental and Commercial Trust and Savings Bank, Chicago, Illinois, a meeting of investment bankers was held at the Union League Club, Chicago, Friday evening, March 29th. The meeting was preceded by a dinner tendered by Mr. Caldwell. There were representatives of bankers and brokers and of investment bankers present from the following cities: Chicago, New York, Boston, Philadelphia, Pittsburgh, Cincinnati, Cleveland, Baltimore, St. Louis and Minneapolis.

The subject of the meeting was the discussion of the proposition to form an organization of investment bankers which might eventually become a section of the American Bankers Association. It was the unanimous opinion of the representatives present that such an organization would be desirable, and of benefit to the American Bankers Association, as well as to the investment banking interests. As this subject had already been pre-

sented to the American Bankers Association at the New Orleans meeting, and had also been considered by the committee on amendments recently appointed, this committee authorized Lucius Teter, of Chicago, a member of the committee, and General Secretary Farnsworth to attend this conference in Chicago.

The present membership of bankers and brokers and investment bankers in the American Bankers Association is four hundred.

The result of the meeting was the determination to perfect an organization. Mr. Caldwell was chosen as chairman, and Frederic R. Fenton, of Chicago, as secretary of the temporary organization. These with a committee of five were authorized to appoint several committees, which shall give this subject consideration and map out a campaign of action. On the special committee of five, which will go to Briarcliff to present the matter to the May council meeting, are D. Arthur Bowman, St. Louis; E. M. Stevens, Minneapolis, and Mr. Caldwell.

The committee on organization was composed of the following from Chicago: Chairman, George B. Caldwell; Frederic R. Fenton, Chas. H. Schweppe, Chas. Counselman, Jr., C. H. Moore, Jr., Ross U. Lansing, Harry Stuart, and from New York were Allen S. Hoyt, J. R. Swan, and Dr. Channing Rudd. From other cities were: H. W. Briggs, Boston, Mass.; Geo. W. Kendrick, Philadelphia, Pa.; E. O. Ward, Pittsburgh, Pa.; Harry E. Weil, Cincinnati, Ohio; Warren S. Hayden, Cleveland, Ohio; C. T. Williams, Baltimore, Maryland; D. Arthur Bowman and J. H. Smith, St. Louis, Mo.; Eugene M. Stevens, Minneapolis, Minn.; H. W. Noble & Co., Detroit, Mich.; John H. Porter and James H. Causey, Denver, Colorado.

Among the guests present were Fred E. Farnsworth, secretary American Bankers Association, New York, N. Y., and Lucius C. Teter, Chicago Savings Bank and Trust Company; Hugh Blythe, Harris, Winthrop & Co.; Ferry W. Leach, A. B. Leach & Co.; John W. Esmond, E. H. Rollins & Sons; Stacey

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ILLINOIS TUNNEL CERTIFICATES

It has been announced that the National City Bank of New York, on behalf of the reorganization committee of the Illinois Tunnel Company, contemplates the purchase of the outstanding \$3,500,000 in certificates of indebtedness of the Tunnel Company. These certificates were issued by the receivers of the company, and it is said that they will be purchased at par and interest to April 1st.

SPINNING FOR RUSSEL

Reports from down the state have it that those favoring Andrew Russel for the state treasurership in the republican party, instead of going about kissing the babies, have been sending the youngsters a novel and attractive toy. It is in the shape of a spinning top, which, when well under way, opens up a series of letters visible only when the top is in motion, which read "Spinning for Russel." It has not been learned just what countervailing device L. L. Emmerson is offering to catch the favor of the youngsters, their mothers and indirectly the fathers' vote.

PAMPHLET ISSUED BY THE HARRIS TRUST

"Why Bonds are Safe Investments" is the title of a pamphlet recently issued by the Harris Trust and Savings Bank of this city. It describes in a lucid manner the points to be considered by one who is investing his surplus funds.

The First National Bank of Barre, Mass., was placed in voluntary liquidation on March 23d, succeeded by the Second National Bank of Barre.

Henry S. Henschen

Henry S. Henschen, cashier of the State Bank of Chicago, expects to leave on April 17th for a trip to Europe. He will sail on April 20th on the "Lapland" for Antwerp. He expects to visit Belgium, Holland, Sweden, and Russia, and will be back in Chicago about July 1st.

ANOTHER BANK CONSOLIDATION

Two more large Chicago banks recently have consolidated their interests—the Prairie State and the Central Trust Company of Illinois—under the name of the latter institution. The new arrangement will give to the Central Trust a total of \$43,338,786 in deposits, making it fourth in size among Chicago's state banks, and seventh among the seventy-odd banks in the city. Of this amount \$7,772,091 represents the deposits of the absorbed institution. One of the most potent factors entering into the consummation of such an arrangement upon the part of the Central Trust was the fact that the savings deposits of the Prairie State amount to \$5,571,403. It is proposed to increase the capital stock of the Central Trust \$1,000,000 in order to finance the deal. This will bring that item up to \$4,500,000. George Woodland, president of the Prairie State, together with C. B. Scoville, will represent on the board of directors the interests of the depositors of that bank. Mr. Woodland also will become chairman of the advisory committee; Fred B. Woodland will become a vice-president in charge of the savings department. The Central Trust now represents a consolidation of

the following institutions: Royal Trust Company, Commercial Loan and Trust Company, Metropolitan Trust and Savings Bank, Monroe National Bank, Western Trust and Savings Bank, Prairie National and Prairie State, and the rumor is that the end is not yet in sight. The Central is destined, Chicago bankers believe, to become a bank of the very first rank in both size and influence at this important center.

UNANIMOUS FOR COGSWELL

Private advices received by bankers in Chicago who take an active interest in the affairs of the American Bankers Association indicate that the state of New York will line up solidly behind Ledyard Cogswell of Albany, the candidate for chairman of the executive council at the Detroit meeting. It seemed to be the sentiment at the New Orleans convention that if the great Empire State would but agree upon a man it would give him a long, running start for the position. Prior to the last convention there was much talk about Joseph G. Cannon (who declined to enter the race) and there were some who advocated the claims of W. N. Frew, one of New York's crack bankers and association workers. In reality Cogswell was the only eastern man who came down to the Crescent City with anything like an organized following. His close proximity to political affairs at Albany taught him that which came to his rescue very promptly, and upon sizing up the situation he at once declared himself and his followers to be for Arthur Reynolds. This diplomatic and courteous action on his part naturally will not hurt him with the western members who were interested so deeply in the future of the Iowa candidate. Just a little politics will give quite a nutty flavor to the doings at Briarcliff when the Big Council assembles there on May 6th.

The First National Bank, St. Paul, Minn., has been approved the reserve agent of the First National Bank of Baldwin, Wis.

American Telephone & Telegraph Co.

A Dividend of Two Dollars per share will be paid on Monday, April 15, 1912, to stockholders of record at the close of business on Saturday, March 30, 1912.

WILLIAM R. DRIVER, Treasurer.



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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

Chandler Starr, cashier of the Winnebago National of Rockford, is of the opinion that the banking, agricultural and manufacturing interests of that section of the state are in a satisfactory condition, but expresses his views in a conservative way. Mr. Starr, as the cashier of one of the leading banks of Rockford, is in a position to analyze carefully fundamental conditions in the northern Illinois. He says: "I consider that conditions in Rockford and immediate vicinity are very good, and, from what I learn, perhaps better than in a good many parts of the country. The banks of Rockford are in a prosperous condition, and are doing a satisfactory business and, I believe, are giving good and satisfactory service to their customers. Winnebago county, in an agricultural way, is generally prosperous. Most of the land in this county is good, and the methods of farming are advanced and progressive, due largely, perhaps, to the good work that has been done by our county superintendent of schools, O. J. Kern, and seconded by such able young farmers as George F. Tullock. Last year was not a prosperous year, I think, for the majority of our farmers, although some crops were very good. General business conditions among the manufacturers and retail dealers are fairly satisfactory. Some lines of manufacture, of course, are somewhat depressed, but most of the manufacturers are in most excellent condition, and are doing a fair business. Fundamental conditions in this part of the country are most excellent, and I believe that the principal trouble is in our politics. What we need, in both our national and state affairs, is to have a good practical business man at the head to try to run our country and our state for the benefit of the people, and not for the benefit of the politicians."

New Trust Company for Decatur

The state auditor has issued a permit to Milton Johnson, Jr., Robert P. Valentine, C. E. Ward, George S. Connard and J. E. Fitzgerald to organize the Citizens Trust Company of Decatur with a capital of \$200,000. This institution will be one of the strong trust companies of central Illinois.

"Egyptian" Town Gets First Bank

The first bank to be established in the village of Hannaford, a mining town a few miles

east of DuQuoin, opened for business, April 1st. C. G. Heard is the cashier. Robert R. Ward of the Benton State Bank of Benton, a member of the executive council of the Illinois Bankers Association, and M. Heard of Thompsonville are interested in the project.

Group 5 at LaSalle

Group 5 of the Illinois Bankers Association, composed of LaSalle, Putnam, Kankakee, Livingston, Grundy, Ford, McLean, DeWitt and Iroquois counties, will meet, June 6th, at La Salle. L. E. Rockwood, cashier of the First National of Gibson City, is chairman of the group and Stuart Duncan, cashier of the La Salle State Bank, is secretary.

An Authority on Seed Corn

Banker-farmers are so much interested in the seed corn question this spring that the Illinois correspondent of THE CHICAGO BANKER has secured from Professor Hegnauer, head of the department of crop production at the University of Illinois, a statement as to the directions to be followed in selecting ears of corn as seed. Professor Hegnauer says:

"The seed corn situation this year is not at all flattering. We have tested a large amount of seed corn, including some of all of the standard varieties recognized by the corn growers, and we find that much of it is not good enough to plant. The conditions under which the crop grew were not especially favorable for good, strong, seed. In addition to this, much of the seed corn was poorly stored and doubtless lost in vitality because of this poor method of storage and handling.

We have been convinced, here at the experiment station, for a number of years, that it pays every corn grower to test every ear of seed corn each season. Some years, to be sure, corn is uniformly good, and it almost seems like a waste of time to do this work; but even in those years it has been shown that it was time and money well spent. Then, in a year like this it is absolutely necessary that every ear should be tested, and those that are found weak or defective in any way should be discarded as unfit for seed. No one could hope during the present season to get a good stand of corn unless an individual ear test be made. If he should get a good stand without testing, it would certainly be an exceptional case.

"The process by which we determine whether a seed ear is good or not is so simple that no farmer should be willing to plant a single ear unless it has successfully passed the examination. Six kernels from each ear should be taken in such a way that each kernel represents a somewhat specific area of the ear, and in case one or more kernels fail to germinate, the ear is discarded. In this way only will we be able to choose the corn which is strong and vigorous, and which will give us a good stand. From the standpoint of the increase in production it is absolutely certain that we could make a handsome gain for the whole state of Illinois, and at a very small

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Population.....	75,994,000	91,972,000	21%
Wealth.....	\$88,517,000,000	\$125,000,000,000	41%
Money Circulation.....	2,055,000,000	3,180,000,000	54%
Savings Bank Deposits ..	2,389,000,000	4,070,486,000	70%
National Bank Deposits ..	2,458,000,000	5,287,216,000	115%
Bank Clearings, U. S.....	84,582,000,000	158,559,487,000	87%
Bank Clearings, N. Y.	51,964,000,000	99,257,662,000	91%

Irving National Exchange Bank

	1900	1910	Per Cent Increase
Capital.....	\$ 300,000	2,000,000	566%
Surplus and Profits	100,900	1,797,900	1681%
Deposits.....	3,446,500	28,360,200	722%
Assets.....	4,108,800	33,347,200	711%

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cost, if it were possible to see to it that no corn is planted this spring that has not successfully passed such an examination as I have indicated. I am sure that, if this thing were done, it, in itself, would help a great deal in reaching the high standards in production for which we are all working."

Illinois Notes

John T. Jenkins, deputy treasurer of Logan county, and for several years with the Lincoln National of Lincoln in various capacities, is dead at the age of forty years.

B. R. Hieronymous, president of the Illinois National of Springfield, delivered a "conventional lecture" on, "A Bank and Its Customers," before the members of the Young Men's Christian Association of Springfield.

The Farmers and Merchants Bank of Vandalia through its president, George Turner, and one of its directors, John N. Metzger, has purchased the bank at Brownstown, near Vandalia.

The Illinois Traction System reports gross earnings for 1911 to be \$6,902,221 as compared with \$6,218,638, for the year 1910. A preferred dividend of 318,276 was declared in 1911 as compared with \$273,286 in the previous year.

Elmer H. Sanford, assistant cashier of the Lincoln National, has departed for New York, and will sail on the Cunard line steamer, Iyernia, for Genoa, Italy, and then go to southern Germany, where he will transact business. He will be gone about six weeks.

RAVENSWOOD NATIONAL

Application has been made to the comptroller of the currency for a charter for the Ravenswood National. Application also has been made on behalf of the National Bank of Ravenswood. Scott Ransom has charge of the latter enterprise.

ILLINOIS GROUP MEETINGS

Illinois groups will hold their meetings as follows: Group 10, May 22d, at Carbondale, J. S. Aisthorpe, Cairo, chairman; E. B. Jackson, Marion, secretary; Group 9, May 23d, St. Clair County Country Club, Ben M. Smith, Salem, chairman; R. E. Hamill, Freeburg, secretary; Group 6, June 4th, Tuscola, George W. Telling, Danville, chairman; G. R. Helm, Tuscola, secretary; Group 8, June 5th, at Jacksonville, S. B. Montgomery, Quincy, chairman; J. L. Miller, West Point, secretary; Group 5, June 6th, LaSalle, L. E. Rockwood, Gibson City, chairman; Stuart Duncan, LaSalle, secretary; Group 3, June 7th, at Dixon, W. C. Durkes, Dixon, chairman; A. B. Sheadle, Rochelle, secretary; Group 2, at Pekin on June 12th, M. O. Williamson, Galesburg, chairman; William C. White, Peoria, secretary. Arrangements have been made for a private car to accommodate several of the association officers, speakers and others, who will visit the cities where meetings will be held from June 4th to 7th, inclusive.

CHICAGO A GROWING RESERVE CENTER

Official figures presented by the comptroller of the currency indicate that as a central reserve city Chicago is making headway more rapidly at the present time than is New York. Our totals, of course, are not so large, but between December 5, 1911, and February 20, 1912, the deposits of national, state and private banks with the national banks of New York showed a gain of 18.8 per cent, while the national, state and private bank deposits in the Chicago nationals for the same period showed a gain of 22.3 per cent. Chicago institutions are very much in favor with the country banks, owing to their extreme liberality in times of money stress and panics. Furthermore, Chicago was the first reserve center to establish a system of clearing house examination and supervision, and up to the present day the new departure has been copied more extensively than any other banking innovation in twenty years. W. T. Fenton of this city has the credit of being the proposer, but modestly shares the credit with his brother bankers of Chicago who so very promptly saw the merit of it and adopted the plan. The very moment the state of Illinois goes upon record by the adoption of a new law which will put all forms of banking (except national) under state supervision, Chicago banks will take another great forward bound in public confidence.

NEW STATE BANK OFFICERS

The stockholders of the New Oak Park State Bank met on Saturday last and elected a full board of directors, who immediately chose the following officers: E. C. Amling, president; James Harper, vice-president; H. N. Leadaman, cashier. The directors are John J. Arnold, James Harper, E. C. Amling, R. W. Menke, C. F. Dreschler, Arthur Lowey, H. N. Leadaman and E. E. Andrews. The bank is expected to open for business very shortly.

GRAHAM & SONS

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Steamship & Insurance Agents

Established 1857

Interest on Deposits—Accounts solicited
 Money to Loan on Real Estate

Open Evenings—Hours 9 a. m. to 9 p. m.

661 WEST MADISON STREET, CHICAGO

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President
L. C. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
J. M. HAYES, Assistant Cashier
WILLIAM K. ADAMS, Auditor

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Charles Schriber
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith



BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

Milwaukee bankers are generally pleased over the result of Tuesday's election, in which the non-partisan candidates defeated the socialists by an overwhelming majority. The non-partisans, headed by Dr. Gerhard A. Bading, mayoralty candidate, received the unqualified support of the manufacturing and financial interests, the business men uniting in spite of old party affiliations to put out of office the administration, which they were instrumental in electing by the same combination two years ago.

Geo. A. Fuller Construction Company

The George A. Fuller Construction Company, Jersey City, N. J., which is erecting the new \$2,000,000 building of the Northwestern Mutual Life Insurance Company, Milwaukee, has filed articles with the secretary of state to do business in Wisconsin. The company declares a capital of \$3,000,000, of which \$250,000 is invested in this state.

Bids Let for First National Building

Bids for the new First National Bank building were let this week to the following firms: Masonry and foundation, Sterling Engineering and Construction Company, Milwaukee; carpenter work, Mathews Building Company, Milwaukee; structural steel work, Modern Steel Structural Company, Waukesha; fireproofing, National Fireproofing Company, Chicago; granite work, Maine-New Hampshire Granite Company; hardware, Phillip Gross Hardware Company, Milwaukee; elevators, Otis Elevator Company, Milwaukee;

terra cotta work, Northwestern Terra Cotta Company; marble work, Pickle Marble Company, St. Louis, grills, Flour City Ornamental Iron Company, Minneapolis. The new building and grounds will represent an investment of \$2,000,000. It will have frontage on East Water Street of 120 feet, and on Mason Street of 200 feet.

Walter Kasten Compiling Statistics for State Bank Directory

Walter Kasten, assistant cashier of the Wisconsin National Bank, is compiling statistics for the 1912 edition of the state bank directory issued annually by the bank at the state convention. The pocket directory will be bound in blue leather, and arranged for the use of bankers and bond men engaged in business in the state. The book will be distributed gratis at the convention in Milwaukee, July 24th-25th.

Secretary Bartlett Member of New Committee

Secretary Bartlett of the association is a member of the newly appointed committee of the secretaries section, A. B. A., which will investigate burglary insurance and fidelity bond rates and report at the Detroit convention. The other two members are Secretary Charles Frost, of the Minnesota association, and Secretary Hughes of the Iowa association.

Secure Hotel Reservations Now

Secretary George D. Bartlett of the Wisconsin Bankers Association has already issued

notices to state bankers who contemplate attending the summer convention in Milwaukee to secure their hotel reservations at once. This precaution is urged on the ground that several other large conventions will be in progress here at the same time.

Milwaukee Notes

Business is reported active and collections fair. Shipments and receipts during the week have been heavy.

H. A. Wagner has been elected president of the Citizens Bank of North Milwaukee to succeed T. W. Spence, deceased.

Representatives of Milwaukee banks visited the headquarters of the Burroughs Company in Chicago on Friday, at the invitation of the adding machine people, to inspect new devices and improvements offered by the company.

E. Frankenberg, president of the Bank of West Bend and veteran state banker, visited several Milwaukee banks this week.

Postal Savings Banks

Postmasters of forty-four Wisconsin postoffices met in Madison this week to receive instructions on the conduct of postal savings banks from Postoffice Inspectors Ralph W. Bird, Milwaukee; J. P. Walker, Madison; J. F. Nicholson, LaCrosse; and W. J. Hickman, Chippewa Falls. Classes will be held for the postmasters of all the 250 postal savings banks authorized for the state until all have received instruction.



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

OFFICERS AND DIRECTORS

JAMES K. ILSLEY, President	
JOHN CAMPBELL, Vice-President	J. H. PUELICHER, Cashier
F. X. BODDEN, Assistant Cashier	H. J. PAINE, Assistant Cashier
G. A. RUESS, Mgr. South Side Branch	S. H. MARSHALL
J. H. TWEEDY, Jr.	R. N. McMYNN
GUSTAV RUESS	C. C. YAWKEY

Wisconsin Notes

Statistics and facts concerning Wisconsin's resources as set forth in an address delivered by Attorney-General Mylrea at the Eau Claire Group meeting last month have been published in pamphlet form for distribution to members of the state association.

Daniel Tyler, prominent Glidden banker, was this week acquitted of the charge of having obtained the signature of a farmer to a deed by fraudulently leading the latter to believe he was signing a mortgage.

Water power in abundance for manufacturing purposes will be available at Couderay upon the completion of a large dam half a mile below the junction of the east and west branches of the Chippewa River, upon which work was started by the Arpin Lumber Company, Grand Rapids, this week.

The interests in the Abbotsford Bank formerly held by E. A. Alverson have been purchased by A. H. Flaig, formerly cashier, who has been elected president to succeed Mr. Alverson. A. J. Young has been elected cashier.

The State Bank of Oshkosh is now established in its new building. The structure is two stories high, of brick and limestone, and finished in mahogany.

In an article in the Wisconsin Farmer, A. P. Grout, Winchester (Ill.), banker, urges every country banker to study scientific agriculture, as a thing directly affecting his business.

The Beloit Savings Bank has installed two new safes to accommodate securities, which it has been decided to keep in Beloit, instead of in Chicago as before.

Henry Schlommer has accepted a position as assistant cashier of the Chilton Commercial Bank.

Plans for the new building of the Greenleaf State Bank have been completed and active building operations will be commenced in June. Officers of the bank recently elected by the stockholders are: President, J. E. Connell; vice-president, Thomas Flatley; cashier, J. B. Flatley; assistant cashier, A. G. Zimmerman.

San Francisco.—The three months' interval between the bank calls of February 9, 1912, and November 10, 1911, shows an increase in total resources of all the local savings banks amounting to \$1,835,200.

FARMERS MEETING IN KNOX COUNTY

Bankers at Williamsfield, Ill., are greatly interested in a convention of the Knox County Farmers Institute, which will be held in their city on September 11th, 12th and 13th. David Cation, president of the First State Bank of Williamsfield, states that it is proposed to make these meetings the best the farmers of

Knox county ever had. They are planning early to secure good speakers, and in every way arouse the enthusiasm of the farmers of Knox county in these important meetings. Mr. Cation also is engaged in the movement of developing interest in the boys' corn-growing contest in his neighborhood, and proposes to look after that feature of the work of the agricultural committee this year. The officers of the Home Savings and State Bank of Peoria report the liveliest interest on the part of the farmers of Peoria and adjoining counties in their corn contest. Mr. Val. Ulrich, the president, and H. W. Ulrich, the cashier, say they never have engaged in a banking campaign which attracted more approval or interest on the part of their customers than this agricultural work.

PROMINENT BANKERS RETURN FROM VACATIONS

W. T. Fenton, vice-president of the National Bank of the Republic, and Howard H. Hitchcock, who occupies the same position with the First National, recently have returned from vacation trips—Mr. Fenton from California and Mr. Hitchcock from the South. Mr. Fenton reports a general appearance of prosperity in California.

GROUP 2, WISCONSIN

Group 2 of the Wisconsin Bankers Association will meet in Madison, April 18th, for the discussion of banking problems. The program is being prepared by M. C. Hagen, Madison, secretary and treasurer. H. A. Moehlenpach, Clinton, will lead a discussion of the proposed scheme of guaranty of state bank deposits. He is chairman of a bankers' committee which has prepared a plan. Judge Simpson, Shullsburg, will discuss the duties of a country bank director. William H. Doyle, Platteville, will talk on "Observations on Present Banking Conditions." R. D. McCook, Stoughton, is another speaker, and others will be secured. The address of welcome will be made by former Mayor W. D. Curtis, vice-president of the Commercial National Bank, Madison. Fred Suhr, German-American Bank, Madison, will be toastmaster at the banquet.

First National Bank of Kensal, N. D., has been placed in voluntary liquidation.



C. C. CRAIG
GALESBURG, ILL.

The official democratic organization of Cook County has endorsed Charles C. Craig of Galesburg for lieutenant-governor. He will be voted for at the state primaries on Tuesday next. Mr. Craig is both a banker and a lawyer and has served in the state legislature. At the present time he is president of the Bank of Galesburg, of the Farmers State Bank at Alpha and of the Bank of North Henderson; he is vice-president of the Farmers National at Knoxville and is a director in several other prosperous banking institutions. He is serving the bankers of the state at the present time on the committee for agriculture and vocational education. He is well trained and thoroughly equipped to preside over the deliberations of the senate. Bankers of the state will make no mistake in supporting him for the position.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

JACKSON JOHNSON, Vice-Pres.
FRANK O. HICKS, Vice-President

EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, April 3.—St. Louis bankers report considerable improvement in the general demand for credits during the past week or ten days. There seems to be an awakening all along the line, and local business concerns which have not been heard from for many a day are entering the market as borrowers. It cannot be understood that the home demand is pressing, or even active as yet, but at least it has gotten out of the stagnation, which has featured it for so many weeks and months. The largest inquiry comes from the country. Correspondents of the larger nationals are reporting good local borrowing in many sections, and this is attributable not only to the agricultural needs, but as well to a better tone in actual trade. Collections are holding their own in excellent shape, except in the valley regions where floods are tying up means of communication and business of all kinds. This, however, is simply a temporary condition, which will improve as the waters subside. Clearings here continue wholesome, the total for the month of March showing a substantial gain over the corresponding period a year ago. The aggregate for the year thus far is also well above that of the corresponding period in 1911. On the whole bankers are feeling much more optimistic than was the case three or four weeks ago. Country balances continue to shrink, and deposits are also on the downturn, but there are still funds ample to meet all requirements. Offerings of commercial paper were large all week, but fewer bills are being purchased, and better rates are prevailing. Decided preference is being shown for the shorter maturities.

Crop Outlook Splendid

The crop prospects continue the brightest spot in the situation. In the Southwest things are all that could be desired at this particular season, barring the floods. The floods, however, were inevitable, and satisfaction is felt that they materialized now instead of in May and June. There is ample time remaining for putting in crops, and even plowing damaged wheat fields, and substituting corn or some other cereal. However, the complete damage to wheat wrought thus far has been relatively small, as that crop is mainly in places not affected by the overflow.

American Bankers Assurance

According to advices from Wilmington, Delaware, the litigation following an internal fight among the stockholders of the American Bankers Assurance Company, in which A. C. Landon of the Commercial Trust Company of St. Louis and other Missourians are interested, will have to be fought out in the courts

of Delaware, if a decision rendered in Wilmington stands. The Missouri interests attempted to move the headquarters from Delaware to St. Louis, and also to have the litigation carried to the Missouri courts. Vice-President Christensen, who started the fight and charges the Missouri men with wasting the company's funds, won a point by the decision. It was rendered by Chancellor Curtis, and overruled exceptions filed in connection with an action brought by the state of Delaware against the concern. The attorney-general of Delaware several months ago filed a bill praying for the appointment of a receiver, but subsequently asked to have this bill dismissed. C. L. Ward, of Wilmington, master in the litigation, objected to the dismissal of the bill. Exceptions were filed to the master's report, and these were overruled by the chancellor. The master will now conduct a hearing on the matter of having a receiver appointed by the chancellor. From the looks of things it looks as if the end of the company's legal entanglements was far in the distant future.

Big Capital Increase

A reorganization of the St. Louis County Gas Company, with an increased capital of \$1,000,000, and an authorized bond issue of \$30,000,000, has been announced by the directors of that corporation. The present company is capitalized for \$500,000, and has no bonds. All the stock is owned by the North American Company, except a few shares. Under the plan 5,000 shares of the new stock will be issued at once, all of which has been subscribed for. In order to clean up floating indebtedness of the old company, \$700,000 in bonds will be issued immediately. The remaining \$29,300,000 will be held in the treasury, to be sold for future improvements and extensions. It is the purpose of the company to extend in St. Louis county, and furnish a general service, but directors deny that it in-

tends to enter St. Louis as a competitor of the Laclede Gas Light Company.

Bush Sees Big Crops

Prospects for unusually large crops in the West and Southwest this year are excellent, in the opinion of B. F. Bush, president of the Missouri Pacific and Denver & Rio Grande systems. He has just returned from an extensive tour over his properties, and says that the outlook is about the only recompense for the recent severe winter. Crops in the dry lands of Colorado, which were almost a complete failure in 1911, will be good. The heavy snows and wet weather of the past few months have put the soil in excellent condition and filled up the reservoirs and lakes for irrigation. In the Southwest, especially Texas and Oklahoma, things are promising for cereals and small crops. Mr. Bush says his roads are already preparing to handle an enormous traffic, which is expected as a result of crops, and a picking up in general business.

Property Valuation Reduced

The State Board of Equalization has reduced the valuation put upon real estate and personal property in Missouri by \$46,559,530, leaving a total taxable value of \$1,551,836. This represents, despite the cutting, an increase of \$56,622,262 over last year. Banks of the state were beneficiaries under the decrease. The custom in former years was to assess banks at approximately 65 cents on the dollar. Last year the assessors attempted to value them for taxation at 50 cents on the dollar, and this year the assessments range from 50 cents to \$1.00. The Board of Equalization cut down their total valuation by \$44,129,910.

State Treasury Statement

According to the statement of State Treasurer Cowgill the condition of the commonwealth's finances is as follows: Balance on hand February 20th was \$3,740,320; receipts during March, \$595,672; disbursements, \$595,264; balance on hand on April 1, \$3,740,728. This general balance is held by the depositories as follows: Cash in treasurer's vault, \$18,231; First National of Jefferson City, \$186,794; Exchange Bank, Jefferson City, \$188,493; National Bank of Commerce, Kansas City, \$1,888,864; German American Bank, St. Louis, \$308,852; Mississippi Valley Trust Company, St. Louis, \$2,849,581.

Third National Gets Judgment

A suit brought by the Third National against the St. Charles Savings Bank to recover moneys borrowed by A. F. Mispagel, former cashier of the St. Charles institution, has been

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

United States Government Depository.

The National Stock Yards National Bank
National Stock Yards - Illinois

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AUGUST BELMONT
August Belmont & Co.
AUGUST BELMONT, Jr.
August Belmont & Co.
DANIEL J. CARROLL
Pres. Alberene Stone Co.
P. S. DU PONT
Treas. E. I. Du Pont de Nemours Powder Co.
DESMOND DUNNE
Pres. Desmond Dunne Co.
ELLIS P. EARLE
Pres. Nipissing Mines Co.
O. G. FESSENDEN
Hayden W. Wheeler & Co.
ELBERT H. GARY
Chairman of the Board
U. S. Steel Corporation
H. STUART HOTCHKISS
Vice-Pres. & Treas.
L. Cande Rubber Co.
JOHN M. HANSEN
Pres. Standard Steel Car Co.
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Cleveland, Ohio
GEORGE M. HARD
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FRANK J. HEANEY
Everett, Heaney & Co.
AUGUST HECKSCHER
Vice-Pres. Eastern Steel Co.
RICHARD H. HIGGINS
Vice-President
FRANKLIN S. JEROME
Pres. First Nat'l Bank,
Norwich, Conn.

Capital and Surplus
\$3,000,000

THE
CHATHAM
AND
PHENIX

NATIONAL
BANK
New York

LOUIS G. KAUFMAN, President

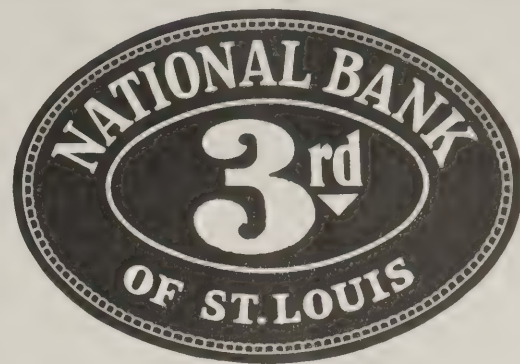
FRANK J. HEANEY, Vice-President
WILLIAM H. STRAWN, Vice-President
BERT L. HASKINS, Cashier
HENRY L. CADMUS, Assistant Cashier
WALTER B. BOICE, Assistant Cashier
RICHARD H. HIGGINS, Vice-President
ALFRED M. BULL, Vice-President
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Resources, Twenty-five Million Dollars

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WILLIAM A. LAW
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Pres. General Chemical Co.
ALBERT A. TILNEY
Harvey Fisk & Sons
FR'D'K'D. UNDERWOOD
Pres. Erie Railroad Co.
JOHN D. VERMEULE
Pres. Goodyear Rubber Co.
SAMUEL WEIL
Samuel Weil & Son
FRANK S. WITHERBEE
Pres. Witherbee,
Sherman & Co.
JOSEPH H. WRIGHT
Pres. U. S. Finishing Co.



CAPITAL
\$2,000,000

SURPLUS
\$2,000,000

DEPOSITS
\$35,000,000

C. H. HUTTIG - - - President	T. WRIGHT - - - Vice-President
G. W. GALBREATH - - Vice-President	R. S. HAWES - - - Vice-President
J. R. COOKE - - - Cashier	H. HALL - - - Assistant Cashier
D'A. P. COOKE - - Assistant Cashier	E. C. STUART - - Assistant Cashier

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Letters of Credit and Travelers' Checks

Available Everywhere

Your own Banker can supply them

KNAUTH, NACHOD & KÜHNE, Bankers
NEW YORK
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decided by the Missouri supreme court. The litigation is extremely complicated. A judgment for \$24,722 was obtained by the Third National against the St. Charles Savings Bank in the circuit court of Boone county, where the case was tried upon a change of venue, was reversed by the decision of Judge Lamm in division No. 1 of the supreme court. In his decision he gave directions for the lower court to find for the Third National on the third count in the suit, and for the St. Charles Savings Bank on the other two counts. There is approximately \$50,000 in controversy. Under the judgment of the court the Third National can obtain judgment for \$20,000, less a certain amount of interest and principal paid.

Louderman Heads Stock Exchange

William M. Louderman was elected president of the St. Louis Stock Exchange at the annual meeting on Tuesday, succeeding himself. This is the first time in more than a decade that any one has been elected for two terms, the custom being for the vice-president to move up to the presidency. Mr. Louderman, however, is considered especially fitted for the office, having given considerable time to the affairs of the exchange and being popular with the members. William C. Little was chosen vice-president; B. C. Jenkins, treasurer, and A. D. Grant, secretary. H. F. Knight, E. A. Gessler, A. H. Bauer, and L. I. McGeray were elected directors. Harry S. Rein was reappointed assistant secretary and chairman.

Application has been made to convert the Virginia State Bank of Danville, Va., into the Virginia National of Danville, capital \$100,000.

New York Plans

The nineteenth annual convention of the New York Bankers Association will be held this year at Buffalo on June 13th and 14th. Headquarters will be established at the Lafayette Hotel. An interesting program has been provided for. George M. Reynolds, president of the Continental and Commercial National of Chicago, will address the convention on the first day. The annual banquet will be held in the evening of the first day of the convention, at which talks will be made by the Rev. Dr. V. V. Raymond, Arthur Brisbane, the Rev. George Caleb Moore, George M. Reynolds and Sir Edmund Walker, president of the Canadian Bank of Commerce. On June 14th Sir Edmund Walker and George E. Allen, educational director of the American Institute of Banking, will address the convention. Numerous side-trips and other entertainment features have been arranged for the visiting bankers.

SECOND HAND METAL BANKS WANTED

Can use large quantity. State number, make, style, finish, condition and price

Write to **O. B.**

Care of The Chicago Banker

SUBURBAN TRUST AND SAVINGS

Suburban Trust and Savings Bank, South Oak Park Avenue and Congress Street, Oak Park, Ill., opened its doors for business at 7:30 A. M., April 4th. The bank is located in a new building comprising seven stores, six flats and five offices, the building to be known as the Suburban Trust Building. The banking room is 25 by 50 feet, has a beam ceiling, tile floor and mahogany fixtures. The vault is of steel and concrete construction, and is second to none, for strength and safety, in the United States. The bank has a capital of \$100,000, and a surplus of \$25,000. The officers and directors are all high-class men. George A. Critton, the president, is a member of the firm of Dyrenforth, Lee, Critton & Wiles, attorneys, and is, and has been for many years, president of the board of education of Oak Park; John M. Duryee, the cashier, was associated for many years with the Prairie State Bank of this city. The directors are as follows: Frederick C. Ebinger, president Paris Fashion Company; Henry P. Magill, of Henry P. Magill & Co., fire insurance; Benjamin A. McBurney, physician, Oak Park and Austin; William H. Rattenbury, president United Electrical Construction Company; Arthur D. Rehm, secretary Phoenix Foundry Company; George Tough, vice-president Mueller & Young Grain Company, and George A. Critton. The bank is intended to serve the interests of the inhabitants of South Oak Park.

JOHN BURNHAM & CO.

As soon as alterations are completed, John Burnham & Co. will move their offices to the New York Life Building.

Editorial Comment

IMPORTANCE OF THE PACKING INDUSTRY

Governmental and public attention have been directed recently more to the manner of doing business by the packing interests than to the importance of the industry itself. Bankers are well aware of the large additions which the packers and allied interests make to the volume of daily clearings in Chicago. In remote centers, however, it is doubtful if any, without investigation, would be willing to concede that in value of product or output the packing interests stand absolutely at the head of all American industries. According to a statement issued by the director of census, department of commerce and labor at Washington, it does lead all other interests by a wide margin. According to the figures presented in the census of 1909, three of America's great industries each run well above a billion of dollars in value of product. The packing industry comes first with \$1,370,568,000; foundry and machine shop interests come second with \$1,228,475,000 and lumber and timber are third with \$1,156,129,000. Contrary to one's expectations, iron and steel, flour mill products, printing and publishing and cotton goods fall far below the industries mentioned. The much-talked-of tobacco trust comes to only \$416,695,000, or about one-third of the value of output of the meat packing industry. Copper, smelting and refining industries are less than one-fourth; sugars and syrups run about one-seventh; agricultural implements fall down as low as No. 36 in relative importance. The statement as issued by the department of commerce and labor lists forty-three of the leading industries, giving the figures for all of those which in 1909 went above one hundred millions in value of product. The value added by manufacture is not so great and the number of men employed is not so great as in industries like timber and lumber. The initial cost of the material used, however, exceeds that in use by any other two of the industries named. The business of meat packing requires a larger investment of funds than any other business, since so little is added to the value by manufacture. It thus comes about that the connections between the packing industry and the bankers of the country perhaps are closer than those existing between any other industry and the bankers. Even railroads and steamboats, so largely in the public eye, fall to place number 12 in relative importance. Automobiles, including bodies and parts, rank number 21 in the list, but in percentage of increase in the value of products, over ten years, the rate of gain is almost fifty to one over any other industry. In the average number of wage earners in ten years, employed in the automobile industry, the increase has been 3.278 per cent, establishing it as one of the marvels of the century. Chicagoans will do

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

well to remember that the leading industry of the nation must be accredited with a large part of the financial and commercial importance of this city at the present time.

BANK GUARANTY FOR WISCONSIN

Secretary Bartlett of the Wisconsin Bankers Association has sent out to the membership a tentative plan for state guaranty of deposits, prepared by a special committee authorized at the last annual convention. Wisconsin has been taking a deep interest in this subject for several years past, and at one time sent a special committee to investigate the working of the guaranty plan as adopted in Oklahoma. The report was not favorable. The agitation kept up, however, and our well-known contributor, John Schuette, at Manitowoc, kept hammering away in favor of some sort of a plan whereby depositors would be assured of the return of their money if deposited in a recognized incorporated bank. Progressive laws have come to be almost a routine matter in Wisconsin. The state government has taken supervision over so many features of corporate existence that it came as a matter of no surprise, when the last legislature authorized the creation of an insurance company to do business within the state, and to be known as the "Bank Deposit Limited Mutual Insurance Company," with headquarters at the state capital. It thoroughly was understood that this project had the support and confidence of the bankers of the state, for the bill was prepared in the main by conservative banking interests, which at the same time were enthusiastic on the subject of guaranty.

Wisconsin has a very modern and up-to-date banking commissioner. He delivered an address on the subject of "Mutual Insurance of Bank Deposits" at the last state convention, and fully outlined a most inexpensive, but efficient, plan which would safeguard depositors, and at the same time not be costly to the banks. Commissioner Ekern enlarged upon the fact that his state has not had a state bank failure in six years, and that the form of guaranty in vogue in other states is not only unnecessary, but would be very expensive in Wisconsin. He proposed a plan whereby a small premium is to be paid in, based upon deposits, until the running expenses of the company are provided for, and a certain sur-

plus fund created. After that, and until further premiums are required, the annual payments will be returned to the policy holders, which in this case, will be the banks. The plan is explained at length by Secretary Bartlett in another department of this paper, and it is intended to cover the requirements both of national and state institutions. It is understood generally throughout the state that the bankers of Wisconsin are prepared to make a trial of this mutual guaranty plan of insuring their depositors. Ample provisions are made for an absolute bar of politics and politicians. The company will operate under the joint supervision of the state commissioner of insurance, the state bank commissioner, and of the national examiners, so far as they may wish to participate. Bankers in all parts of the country will be interested in the outcome of the experiment.

TOUCHING THE ISSUE

When Col. Roosevelt first began to prepare for the present campaign it was estimated that his personality would furnish all the necessary platform. In sending out his letter of acceptance to the governors committee, he did not, as most presidential candidates have done in the past, set forth his pledges and the principles which should govern. It has been noted that in the state of Indiana, where the issues between the followers of the president and those of the ex-president were drawn tightly, that the Roosevelt supporters based their campaign entirely upon the platitudes which have been issued from time to time by the Sage of Oyster Bay. Ex-Senator Beveridge, an able and dignified advocate, based his support of the Colonel all through the Indiana campaign upon progressive republicanism. According to Mr. Beveridge, this consists chiefly of tariff reform through a commission and the reconstruction of the trust and corporation code along definite legislative lines so that business may choose and mark out its course in certain and unequivocal compliance with the law. This comes pretty near to being a plagiarism on the Taft platform, but, drawing conclusions from the speech which Mr. Roosevelt afterward made in Chicago, it is not anything near like the latest edition of his personal platform. It might be said in passing that much of the campaign talk is being placed upon a misconception of the present business condition of the country. It is not nearly so badly off as it has been painted. Neither does it require the substitution of some other republican for President Taft so much as it requires a rest from further political disturbance. If the Colonel ever did stand for what Mr. Beveridge proclaimed as his principles, he has wandered far in an attempt to reach a still wider popularity and has catered to all known public demands from labor unions to the suffragette movement.



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This letting down of the bars has not increased his effectiveness as a candidate, although it may have added momentarily to his popularity with the unthinking who came to hear him.

In his Chicago address he reiterated his Columbus speech practically, although in his New York address he had succeeded in explaining his talk to the Ohio convention so that it did not seem longer to mean what the general public construed it to mean at the time it was uttered. Considerable radicalism was developed in the Chicago address, particularly as it applied to the restrictions made upon the conduct of the Taft supporters in the various states where the primaries apparently had gone against the ex-president's friends. There has been no indication from the first that President Taft has failed in any manner in conducting the great trust which was imposed upon him in 1908. Conservative bankers and business men in practically all of the cities of the country seem to have arrived at the conclusion that the stable interests of the country will be conserved by the re-election of President Taft, if the president is to be a republican.

It has come to be an almost regular event in the Colonel's speeches to compare himself in some manner with Lincoln. At Columbus he stated that he himself was much more of a conservative than Lincoln had been in regard to his views about the recall of judges and judicial decisions. On the other hand, attention is directed here to an extract from an address made by Abraham Lincoln at Springfield on January 27, 1837, when the martyred president still was a comparatively young man. This is what he said on the subject of the man of genius:

"Towering genius disdains a beaten path. It seeks regions hitherto unexplored. It sees no distinction in adding story to story upon the monuments of fame erected to the memory of others. It denies that it is glory enough to serve under any chief. It scorns to tread in the footsteps of any predecessor, however illustrious. It thirsts and burns for distinction; and if possible it will have it, whether at the expense of emancipating slaves or enslaving freemen. Is it unreasonable, then, to expect that some man possessed of the loftiest genius, coupled with ambition to push it to its utmost stretch, will at some time spring up among us? And when such

a one does it will require the people to be united with each other, attached to the government and laws, and generally intelligent, to successfully frustrate his designs."

No less an authority than a leading Chicago attorney, John T. Richards, has said that Lincoln, in the following and concluding paragraph of the above quotation, drew an absolutely correct descriptive portrait of Roosevelt. Lincoln said:

"Distinction will be his paramount object, and although he would as willingly, perhaps more so, acquire it by doing good as harm, yet, that opportunity being past, and nothing left to be done in the way of building up, he would set boldly to the task of pulling down."

Nothing is intended of a harsh nature toward the distinguished ex-president. The position he now occupies is his towering offense against the proprieties.



PEOPLE AGAINST A THIRD TERM

In another column is set forth the views of one of Chicago's ablest thinkers—President J. G. Schurman of Cornell University. His talk at the New Orleans convention was one of the best of the whole A. B. A. series. He is opposed to the whole third-term idea, and cites history and precedent as only a master can. His paper on presidential nominations by the republican convention is deserving of your time, both for reading and for study. Of a totally different kind, but with like intent, the New York World goes directly to the sub-

ject in an editorial, not one word of which seriously can be disputed or doubted.

"Among American citizens of commanding prestige and influence, Theodore Roosevelt alone has indorsed Theodore Roosevelt's third term candidacy. No great lawyer has indorsed it. No great jurist has indorsed it. No great educator has indorsed it. No great publicist or student of government has indorsed it. No great author has indorsed it. No United States senator of the first rank has indorsed it. No representative in congress of the first rank has indorsed it. No governor whose political influence extends beyond the borders of his own state has indorsed it. Hardly half a dozen newspapers of power and importance have indorsed it."

The Colonel is surrounded by the self-seeking, fourth-rate politicians and the notoriety-seekers. He has been badly advised, and to one at this distance it would seem that he might readily release those under pledge to him from further useless service. It will be Taft in a walk. In 1880 Grant was denied a third term. It was not a third consecutive term, as there had been an interregnum of Hayes. The convention was strongly inclined to nominate Grant. Roscoe Conkling made one of the most eloquent speeches of his career placing the victor of Appomattox in nomination. But, as Don Cameron said, there were twenty-three men who came from Massachusetts to prevent six hundred from doing what they wanted to do, and the twenty-three men from Massachusetts did what they came for. The Massachusetts men made and carried the point that two terms were enough. They were considered enough for Grant in the heyday of his glory. Surely they are enough for Roosevelt to-day. Mexico had no anti-third term precedent and could only get Diaz out of his seemingly perpetual tenure of the presidency by a revolution. Doctor Schurman hints at these things, and illustrates his ideas by quoting history in an interesting way. The people will decide the old anti-third term question again, and probably for the last time, at the June convention.



A charter has been issued for the Farmers State Bank of Hominy, Okla., which will have a capital stock of \$15,000. The incorporators are J. E. Martin, I. N. Stoutimore, Quay V. Johnson and W. C. Price of Hominy, and W. M. Sloan of Pawhuska.



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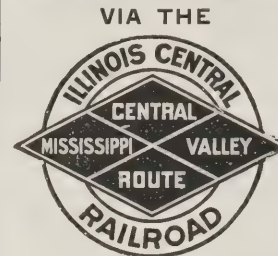
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Jacob Gould Schurman on Presidential Outlook

Head of Cornell University tells of the issue between Taft and Roosevelt and fears "Caesarism" in the government. Independent readers asked to consider the matter seriously

In accordance with the general custom of the Republican party, to say nothing of the special ground of a meritorious administration, President Taft is entitled to renomination for a second term. There are, however, some Republicans who oppose this just and natural consummation, and who are endeavoring to prevent it by bringing about for a third term the nomination of ex-President Roosevelt.

To this startling alternative there are objections of the greatest weight. The people to-day are frankly discussing them, and the Republican convention to assemble in Chicago will be compelled to consider and appraise them. It is of the utmost consequence not only to the party, but also to the nation, that a right decision should be reached.

The education of public opinion in the meanwhile is the one sure way of bringing about that result. It is a time for every citizen, and particularly for every member of the Republican party, to say what he thinks. We want the full light of public opinion at its maximum intensity of illumination. The ostrich policy would be fatal. As Bishop Butler used to say, things are what they are and the consequences will be what they will be; why then should we wish to deceive ourselves?

"Things are what they are." On the 8th of November, 1904, President Roosevelt under memorable circumstances solemnly made this announcement to the American people and to the world:

"Under no circumstances will I be a candidate for or accept another nomination."

On the 26th of February, 1912, ex-President Roosevelt said:

"I will accept the nomination for president if it is tendered to me."

The latter statement is in absolute contradiction with the former. But apologists have arisen, who tell us that President Roosevelt's pledge refers only to a consecutive third term, and that when a man declines a third cup of coffee he is still free to take it to-morrow or the day after. But the main point is concealed under this wretched sophistry and juggling

with words. Millions of men who refuse to drink more than two cups of coffee to-day take another cup on a subsequent day. And to decline a third cup of coffee this evening does not even suggest to anybody that you will not take it to-morrow or the day after. No one is deceived by your refusal. Indeed, it concerns nobody but yourself. It is different with the presidency. That concerns 100,000,000 people. And as no mortal has ever been president of the United States for a third term, the man who on his election for a second term voluntarily and solemnly proclaimed that "under no circumstances" would he "accept another nomination" morally estopped himself, in the understanding and expectation of all mankind, from ever consenting to break the third-term tradition. And the people's belief in President Roosevelt's self-elimination from future presidential candidacies gave him tremendous leverage during his second term, materially helped him to control the Republican national convention of 1908, and brought him universal praise (which Senator Lodge, the presiding officer, eloquently voiced to that convention) for his unselfish patriotism in following in the footsteps of Washington and Jefferson.

But his own refusal is not the only inhibition on the nomination of Mr. Roosevelt for another term. What he had in advance refused, the American people were in advance pledged not to offer him. The republic has never had the same man as president for more than eight years, and the anti-third-term policy has established itself as a part of our unwritten constitution.

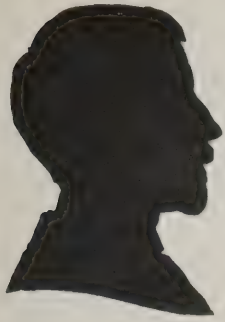
The proposal to nominate Mr. Roosevelt for another term contravenes this wise policy.

At the beginning of the republic Washington and Jefferson declined a third term and established the custom. Grant wanted a third term—a non-consecutive one—but even the name and fame of Grant were powerless when arrayed against the enlightened political sentiment and sure political instinct of the American people.

The restriction of the president to two terms at most is the fundamental safeguard of the republic. If our democratic institutions are to survive, if the rule of the people is not to be supplanted by Caesarism, the term of the chief executive must be rigidly limited either by law or by custom. One term of five or six years would probably be the best arrangement. But with us the practice of a century has sanctioned a maximum of eight years or two terms. If this limit is now removed, it is as certain as anything in the future can be that no other limit can be established. This is no guess, no baseless fancy. It is a truth demonstrated by human history. From a chief magistracy of more than two terms the nation would be insensibly carried, by the machinations of able and unscrupulous leaders, to a chief magistracy of several terms or to a life office. The power of the president, growing by what it fed on, would in this succession of terms easily transcend the limits fixed by the constitution. And by a gradual and natural transition the presidency would become a dictatorship or a Caesarism.

We have seen all this happen in Mexico in our own generation. And the recent revolution in that country and the present insurrection are the blind gropings of the nation to recover its lost liberties. The same thing happened in Rome over two thousand years ago. The Roman republic was destroyed by the removal of the ancient limit of the term of the chief magistrate. The proposal to nominate Mr. Roosevelt for a third term is an invitation to the American people to enter upon the career of modern Mexico and ancient Rome.

But would you limit the freedom of the people? If they desire Mr. Roosevelt for



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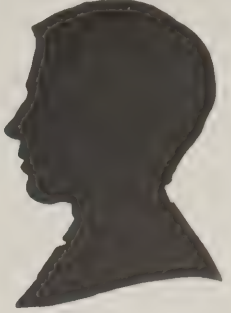
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president, shall they not have him? Who is to say them nay? Shall not the people rule?

It is not the first time that liberty has been destroyed in the name of democracy. It is, indeed, in the people's power to choose whom they will for president. But having chosen, it is not in the power of the people to alter the consequences of their act. Whether we will or not, the removal of the two-term limit to the presidency tends to transform republicanism into Cæsarian government. Do the American people want this result? The way to avoid it is to retain the restriction which a salutary and approved custom has put upon the president's term of office and also the limitations which our noble constitution has imposed upon his activities. The way to introduce Cæsarism is to lengthen the president's period of service; this will of itself lead to an increase of his powers and the establishment of a one-man rule. There are two courses open to the American people. They are free to choose either. But the laws of nature and history will force upon them the inexorable consequences of whichever alternative they adopt. Whoever votes for a third term by necessary implication votes for Cæsarism.

There is no other issue in our republic more fundamental than the maintenance of the present limited period of office for the chief executive. Hence, if the Republican party were to nominate Mr. Roosevelt next June in Chicago, it is safe to predict that the anti-third-term sentiment of the American people must inevitably lead to a split in the party. No other course would so certainly ensure the election of a Democratic president. At the same time the organization of the Republican party would pretty certainly fall into the hands of the radicals, who had secured the nomination for their candidate.

This raises the question of the place of radicalism in a Republican platform. In the past the party has not been radical. If it championed liberty it also enforced justice and protected property, and everywhere and always it revered the constitution. Since the Civil War, with the exception of Cleveland's administration, the Republican party has been responsible for the government of the country. It has been a half century of orderly progress, of expanding liberty regulated by law, of natural constitutional development with jealous regard to states' rights and watchful maintenance of the independence and efficiency, each within its own ordained sphere, of the executive, the legislative and the judicial departments of the federal government. There has been a protective tariff intended to encourage business and safeguard the interests of the wage earners, the manufacturers and the farmers. The country has prospered beyond any other in the world. Since trusts have appeared laws have been enacted and enforced to protect consumers against monopoly and business rivals, against unfair competition. The tariff, which has

from time to time been revised, still needs to be better adapted to existing economic conditions. And the anti-trust law should be supplemented by further legislation providing for the federal incorporation of large concerns doing an interstate business and determining more definitely the criteria of illegal practices, so that business men may know as clearly as possible just where they stand.

These are the problems to which President Taft has been addressing himself. He has been extraordinarily successful in carrying out the policies of the Republican platform. And with perfect fidelity to the principles of his party he is now facing the new issues, for the settlement of which he is splendidly equipped by his administrative experience, his studies in economics, and his mastery of the law. He is a genuine Progressive Republican, who sees the needs of the present and the approaching future and who is molding policies to satisfy them. The reactionary worships the past, the radical flouts the past, but the progressive, while retaining all that is sound and valuable in the past, also vitalizes it with the living ideas of the present, and creates new institutions for our day and generation. Is there, I ask, in America a better exponent of progressive Republicanism than President Taft?

The issue, then, is very simple. Shall the Chicago convention in its platform renounce progressive Republicanism and declare its adhesion to radicalism? If so, President Taft would not be the proper candidate. And it is altogether improbable that he would accept the nomination. But if the platform of principles adopted by the Chicago convention is

in harmony with the Republicanism of the past and is hospitable to evolutionary and progressive development in response to the best aspirations, the soundest ideas and the wisest policies of the present, the party has a man foreordained to be its candidate, and that man, of course, is President Taft.

In my opinion, radicalism will not prevail in the Chicago convention. And for that reason, along with the third-term difficulty and the solemn pledge of 1904, I do not expect to see Mr. Roosevelt nominated. His radicalism has alarmed the country too greatly. The so-called "new nationalism" promulgated in his Osawatimie speech of 1910 was a scheme of highly centralized government, in which states' rights were menaced, and congress and courts subordinated to the chief executive, who alone was regarded "as the steward of the public welfare," while business was put under the interdict that no man could make money unless it could be demonstrated (of course to government inspectors) that his prosperity was a benefit to other people. Obviously "new nationalism" meant Cæsarism in government and bankruptcy in business. The voters of New York, to whom Mr. Roosevelt commended it in 1910, responded with a Democratic victory. Republicans in great numbers staying at home or voting the Democratic ticket. (The Republican gubernatorial candidate received in 1910 only 622,000 votes, as compared with 804,000 in 1908.)

The country had not recovered from the shock of the radical program of "new nationalism" when Mr. Roosevelt launched a still more radical proposal. The history of civilization shows that when the courts are subordinated to the sovereign—whether the sovereign be a monarch or the people in their entirety—justice disappears from states and the rights of individuals and minorities are trampled under foot. The independence of the judiciary is the first principle of free government. Mr. Roosevelt now proposes to have court decisions reversed by popular vote. This is not only radicalism, it is revolutionary radicalism. And it has given a painful shock to millions of citizens and alienated hosts of Republicans who formerly voted for Mr. Roosevelt. The meaning and consequences of this proposal, which is at once revolutionary and reactionary, have been admirably discussed by President Taft in his recent speech at Toledo—a speech that covers the whole ground with great ability, with irresistible, convincing power, and with unusual fervor and animation. It is safe to say that if anything else had been needed to secure President Taft's renomination for the presidency, it has been furnished by Mr. Roosevelt's attack on the independence of the judiciary.

Ithaca, N. Y.

Maribel, Wis.—A new bank is being formed with a capital of \$25,000. Jos. Kleiner, a prominent merchant, is said to be the head of the enterprise.

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

For the past few months bank clearings in the Central West have been somewhat lower than during the corresponding period a year ago. This was due to the heavy snow storms and flooded conditions, which made it impossible for farmers to send live stock and other products to their regular markets. In fact, business for a time was almost at a standstill, and trains were so badly delayed that little shipping was attempted. However, with brightening skies the prospect for a return to normal business activities is good. While this will be a "backward spring" throughout the agricultural portions of the Central West, everyone looks for big crops on account of the splendid condition of the soil, which has been soaked with moisture to a depth of many feet. Bankers are jubilant over the prospects of a good season.

Clearing House Association for Railroads

Railroads entering Kansas City are completing a plan by which they will divert their accounts with shippers to a clearing house association. The Southwest National of Kansas City is to be designated as the clearing house, and all funds for freight charges on either inbound or outbound shipments will be handled by the bank. The plan is to take effect April 15th. It is believed that this is an entirely novel arrangement, and will be in the interests of economy, and to facilitate business. Under the present system each railroad makes its own collections, and is compelled to have a separate accounting and collecting organization. With this business handled by the clearing house, the railroads will save much of this expense. The shipper, especially the large one, who uses all the railroads, also will benefit. As it is now fourteen collectors, representing as many railroads, call on him each day, which naturally causes him considerable annoyance. Under the new plan railroads will turn their accounts to the bank and the bank will notify the shipper the aggregate sum of his freight bills daily. The shipper will mail a check for the aggregate sum, and the clearing house will divide it among the various railroads. The railroad officials say that this is in the nature of an experiment, and that if it is found successful the plan will be adopted in other traffic centers.

Arthur E. Stilwell

Conflicting reports come from New York relating to the reported resignation of Arthur E. Stilwell, president of the Kansas City, Mexico & Orient Railroad. Since the receivership of this property, Mr. Stilwell has resigned as president of the Union Construction Company, and of the International Construction

Company, allied interests. The two construction companies hold contracts to build the road from Kansas City to Topolobampo, Mexico. Debts of these two companies aggregate more than \$2,000,000, and receivers have been asked for them. E. E. Dickinson, vice-president and general manager of the railroad company, has returned to Kansas City with word that \$10,000,000 are in sight for the completion of the road, and he predicts an end of the receivership soon. He says that English stockholders will be able to float the thirty million-dollar bond issue, which will take care of the present indebtedness and furnish enough money to complete the road. The revolution in Mexico is causing much embarrassment to the managers of the property, and all work of construction has been abandoned in that republic for the time being.

Kansas Seeking Solution for Guaranteeing Public Deposits

Following a similar controversy in Nebraska, the commissioners of various counties on Kansas are seeking a solution for the problem of guaranteeing public deposits in local banks. Bank Commissioner Dolley has held that where banks are contributors to the state guaranty fund, there is no further requirement for the protection of county funds. But many county commissioners are uncertain as to the exact legal status of such banks, and in some cases are demanding the regular bonds for the protection of public funds. This has opened up the same line of discussion that puzzled Nebraska bankers for so long and which was settled only after a court decision which sustained the adequacy of the state bank guaranty fund as a sufficient protection for all public money on deposit in local banks.

J. K. Woods Appointed National Bank Examiner

John K. Woods, state bank examiner of Texas, has been appointed national bank examiner by the comptroller of the currency, and will be assigned to a Texas district. Mr. Woods is about thirty-five year old, and was engaged in the banking business from 1898 to 1909 with R. E. Stafford & Co., bankers, Columbus, Texas; the First National Bank of Brownsville, and the First State Bank and Trust Company of Laredo. Since 1909 he has been state bank examiner. To succeed Mr. Woods in the Texas banking department Commissioner Gill has appointed Paul G. Vitlaret of Comfort, Kendall county. He has been with the department as assistant bank clerk since December 1st last, coming from the position of general bookkeeper of the West Texas Bank and Trust Company, San

Antonio. Commissioner Gill also has accepted the resignation of George A. Giddings, a bank examiner, who was badly hurt in a railroad accident recently, and who feels that he cannot work again for a long time. J. W. Hayes of Collinsville, Grayson county, has been appointed to succeed Mr. Giddings. He has been liquidating agent of the Paige State Bank, and before that was cashier of the First State Bank of Sadler, Texas.

Woman Bank President Dead

Until her death recently, Mrs. Mary Cotton was president of the Citizens State Bank of Sabetha, Kansas. She had been in the banking business for many years, and left an estate valued at more than \$300,000. By the terms of her will, Sabetha is to have one of the finest libraries in the state of Kansas. Mrs. Cotton willed her handsome residence and grounds, her private library and \$3,000 in cash to the city for a free public library. Mrs. Cotton was not only the first woman bank president in Kansas, but she was one of the first women bankers in the United States, and was unusually successful.

Death of "Money Teacher"

There died in Kansas City the other day a man of unique personality. Horace F. Wheeler described his occupation as a "money teacher," his specialty being the instruction of bank tellers and others, who handle money in the arts of counterfeiting, and how spurious bills and coins may be detected with rapidity and accuracy. For more than twenty-five years Mr. Wheeler had plied his unique occupation in Kansas City, and hundreds of bank employees had taken his course of instruction. As soon as his death was announced at his home, 905 Troost Avenue, Kansas City, secret service officials of the government visited his home and took possession of counterfeit bills to the amount of \$561, which Mr. Wheeler used in teaching his classes. He had been allowed to carry counterfeit money under a special permit granted him years ago by the chief of the United States secret service department. Speaking of Mr. Wheeler and his work, C. G. Hutcheson, cashier of the First National of Kansas City, said: "The face of Horace Wheeler was a familiar one in this bank. He came in here frequently to solicit patronage for his school to detect 'bad' money, and many of our employees were his students. His first lecture was in the composition of a counterfeit bill, and he showed his audience just how it was made, and how it differed from the genuine. I never took his course, but I was indirectly interested in it, and believed it a splendid thing

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J. E. COMBS - - Cashier
R. S. BRITTAIN, Asst. Cashier
R. N. RIDGE - - Auditor

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for the tellers and other employees constantly handling money."

Central West Notes

H. T. Nash, one of the oldest and wealthiest bankers of Texas, died in his home city of Kaufman, March 26th. For more than twenty years he was president of the First National of Kaufman, and was also an extensive ranch owner, cattleman and merchant. One of his daughters is the wife of Congressman James Young of the Kaufman district.

The bankers colony of the Leavenworth federal prison now boasts a fine baseball team and practice is allowed almost every afternoon. A schedule of games is being arranged with teams picked from other classes of prisoners, and the rivalry for championship honors is very keen.

M. L. Critchfield, for many years a banker at Oskaloosa, Kan., died last week at Excelsior Springs, Mo. For the past few years Mr. Critchfield was president of the Jefferson County Bank of Oskaloosa.

A party of thirty-four eastern capitalists have been visiting parts of Texas and New Mexico as the guests of Otis & Hough of Chicago, who have extensive land interests in the Southwest.

The announcement comes from Washington that Texas will get forty-four and Oklahoma will get twenty-six out of the total of 1,000 fourth-class postoffices designated as postal savings banks to begin taking deposits May 1st.

The petition of the Western Trust and Savings Bank of Chicago against the Oklahoma Central Railway Company has been sustained and the road is ordered sold to satisfy a mortgage of \$10,000,000. Since June, 1908, the road has been in the hands of a receiver. It runs from Lehigh, Okla., to Chickasha, and has connections with trunk lines.

Both the Bankers Trust Company and the Union National of Houston, Texas, are preparing to move into the completed Union National Bank building. The banking quarters in this building are large and equipped with the very latest devices to insure safety, and add to the convenience of the public and employees. The new steel vault of the Bankers Trust Company is said to be an especially fine piece of workmanship.

The Wichita, Kan., chapter of the American Institute of Banking held a very interesting meeting one night last week in the Kansas Club rooms. About half of the membership was present. "Bank Administration" was the subject discussed with Elsberry Martin, of the Kansas National, as director for the evening.

The bankers and business men generally of Tulsa, Okla., are working on plans for the entertainment of the Oklahoma Bankers Association, which will hold a convention in that city May 10th and 11th. Preparations are being made for a record-breaking attendance.

The Commonwealth Trust Company of Houston, Texas, has practically completed its organization by the election of C. C. Hinds as secretary. He will have active charge of the real estate and title guaranty department.

The West Texas Bank and Trust Company of San Antonio will move into new quarters

across the street from the old location. Increased business has made the change imperative. This is one of the most prosperous financial institutions in the Southwest.

Announcement has been made of the organization of a fifth bank in Atchison, Kan., to be known as the German-American State Bank. It will be open for business about the middle of May, or the first of June, and will have a capital stock of \$50,000. The organizers of the bank are Henry and William Klostermeier, Louis W. Voigt, August Mandelsdorff, Thomas Byrne and Charles Haas, all well-known business men of Atchison.

The Houston Gas and Fuel Company with a capital stock of \$2,000,000 has been chartered to take over the property of the Houston, Texas, gas works.

The financial board of Oklahoma is now working on a plan to fund the state's debt by an issue of \$3,000,000 in bonds in denomina-

tions of \$1,000 and \$500, to run twenty-five years and bear 4 per cent interest. It is intended by this means to pay all Oklahoma debts as fast as possible by the proceeds of the new bonds.

The Nebraska railroad commission has granted permission to the Missouri Pacific Railway Company to issue 5 per cent gold bonds to the amount of \$5,000,000 payable in three years, the sale price to be 95 per cent. The purchaser is to be the Union Trust Company of New York.

The First National of Denver has consolidated with the Capitol National, the name of the former being retained. By the consolidation the First National will increase its capital stock to \$1,250,000, and its surplus to the same amount, which will make it one of the largest financial institutions in the West.

The First National of Bonita, Texas, has opened for business. It has taken over the interests of the Bonita State Bank. The officers are J. C. Howard, president; C. McCall, vice-president; S. H. Camp, cashier.

The First National of McKinney, Texas, has closed a contract for the erection of a new business building, which will be the largest and handsomest in McKinney. The bank will occupy the first floor. It was established forty-three years ago.

The Drovers National of Kansas City has announced that beginning April 1st, it will be on a dividend-paying basis. It has begun with a 2 per cent declaration quarterly making the annual dividend 8 per cent. The stock of this institution has increased in value very materially during the past year.

F. A. Peterson, former county treasurer at Madison, Neb., has bought a heavy interest in the First National of that city.

The following reserve agents have been approved by the Texas department of banking: For the San Jacinto State Bank, of Cold Springs, the South Texas Commercial National of Houston; for the Brazoria Guaranty State Bank of Angleton, the Union National of Houston; for the First State Bank and Trust Company of Santa Ana, the Houston National Exchange Bank; for the Guaranty State Bank of Mertens, the American Exchange National of Dallas; for the Citizens Guaranty Bank of Lindale, the Guaranty State Bank and Trust Company of Dallas; for the First State Bank of Oakwood, the Austin National of Austin; for the Hardin County State Bank of Kountze, the Union National of Houston; for the First State Bank of Channing, the American National of Austin; for the Guaranty State Bank of Lufkin, the Houston National Exchange Bank; for the Como State Bank of Como, the Central National of St. Louis; for the First Guaranty State Bank of Industry, the South Texas Commercial National of Houston; for the First State Bank of De Kalb, the Central National of St. Louis; for the First State Bank and Trust Company, Laredo, the Chase National of New York.

W. H. Bucholz, vice-president Omaha National Bank, says: "I look for an immense wheat crop. Business conditions are improving and money will be more freely spent when the large number of laboring men now idle are put to work in the spring."



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1902 - \$160,000	1907 - \$ 799,000
1903 - 242,000	1908 - 1,052,000
1904 - 371,000	1909 - 1,158,000
1905 - 522,000	1910 - 1,438,000
1906 - 698,000	1911 - 1,773,000
1912 - \$2,079,270	

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

The Security National, which has just declared its quarterly dividend of 4 per cent, now has a surplus of \$2,160,000 grown from \$160,000 in ten years. This is the second quarterly dividend of 4 per cent. The first ordered 2½ per cent quarterly, which in the last quarter of each year becomes enough to put the bank on a yearly 12 per cent basis. The Northwestern National pays 2½ per cent and the Trust company half of 1 per cent, which makes the basis 12 per cent.

Minnesota Loan and Trust Issuing Household Expense Book

The Minnesota Loan and Trust Company has published a household expense book which is proving as popular as its savings bank envelope. All through the book, stares one in the face, "Save a definite amount each week or month. Deposit before you spend it." A little sermon entitled "Systematic Saving," presumably from the inspired pen of Cashier and Advertiser S. S. Cook, is the first thing the house wife or the house husband sees when he or she opens the book. The householder is advised to make a definite allowance for saving and stick to it and start a savings account. To play safe the first column in the expense account reads: "Deposited with the Minnesota Loan and Trust Company" and the last, "Balance for deposit with—". Fourteen columns are provided for the various classes of expenditure.

Features of Minnesota Convention

Deans are to have an inning at the Minnesota State Bankers association meeting June 14-15th, which is to be at the state farm school in Rosetown, nestling between the limits of the Twin Cities. Dean A. F. Woods of the Minnesota University, Dean A. K. Soule of the Georgia agricultural college and Dean William Russel of the University of Wisconsin school of agriculture will talk. Dean James B. Forgan of the bankers has been asked to come up from Chicago to speak, and

James Wilson, secretary of agriculture, is on the program. It is a foregone conclusion that George Edgar Vincent, president of the state university for just one year, will speak and Howard Elliott, president of the Northern Pacific Railway.

"Steer feeding, showing how prime beef may be produced at half the present cost, farm management, co-operative farming, insect, plant disease and weed elimination and other things that bankers are not supposed to know much about will be shown," said Dean Woods. "We will throw the place wide open to the financiers."

While the bankers may have to make their own beds after they have slept in the dormitories, the domestic science women will prepare the meals of wieners, roast beef, vegetables, pork and beans, hot bread and coffee, or whatever may be decided on.

The program has been arranged by D. S. Culver, G. A. DuToit of Chaska; G. H. Prince, St. Paul; Joseph Chapman, Jr., and Secretary C. R. Frost of Minneapolis. The novelty of the entertainment provided is to bring out a big attendance of bankers from inside and outside the state, suggests Mr. Frost. Nine hundred and fifty-five bankers of the state have a right to attend the meeting, but 400 are expected, including the visitors. Others, if an overflow is reached, will be sent to the St. Paul and Minneapolis hotels.

E. W. Decker

E. W. Decker, president of the Northwestern National, has gone to Hamilton in the West Indian region for a rest.

Purchase Bonds

Local bidders won out in the purchase of \$1,175,000 bonds, 30 years paper at 4 per cent, dated March 1, 1912. The successful bidder for bonds were the Minneapolis Loan and Trust Company and Northwestern National, which took all but \$100,000, and that fell to the Wells & Dickey Company. Sixteen

bids were received, many from Chicago. The first \$775,000 went at 98.51; the next \$200,000 at 99.40 and another \$100,000, required by law to sell above par, at face value and \$1. The Wells & Dickey bid for \$100,000 was 98.55.

A. A. Crane Back

A. A. Crane, vice-president of the Minneapolis First National, has returned with his family, after a long tour to the Pacific coast, up the coast and back.

Putting Gardens in Vacant Lots

C. P. DeLaittre, president of the Aitkin County State, Minn., says that his city is taking up the Minneapolis Garden Club idea of vacant lot gardening. He suggests that the Minneapolis club, whose idea is being used in more than one hundred other cities this spring, co-operate with the board of education and that the subject should be brought up at parents' and teachers' association meetings.

Depositors Paid in Full

Depositors in the Peoples Bank at Hudson, Wis., are reported as paid in full with a loss to the stockholders of \$81,000. Deposits have not been received since September, 1908. The difficulties of the bank are reported to have arisen from loans made by former officers to land companies in which they were interested, soon after the bank opened in 1905.

Life Threatened

E. F. Funk, banker at Washburn, Wis., has offered \$200 reward for information concerning a letter sent him threatening his life. Bank and personal property were damaged before the missive arrived.

Farmers Using Scientific Methods

The big feature of farming in North Dakota, says T. L. Beisker, the Fessenden banker, is the way the farmers are taking to scientific farming. He believes it will make

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a difference of many million bushels in 1912. Business in the state is reported good and some seeding is under way.

Minnesota Notes

Minnesota corporations were increased in the first quarter by 312, a total of \$25,000,000 capital. The fees were \$21,570.

St. Paul's Provident Loan Society has called for 20 per cent more stock, making a total of 40 per cent to date. An auditor is at work. The society is anti-loan shark, backed by leading men, and needs more money to let out.

J. W. Wheeler, president of the Security Trust Company, has arranged for a St. Paul home, buying a 13-room brick establishment at 756 Goodrich Avenue for \$23,500. Mr. Wheeler came from Crookston, Minn., and has been living at the Hotel Saint Paul.

Minnesota started in April with a fair amount of money on hand, \$2,294,170 in the banks and \$162,103 in the revenue fund.

W. B. Ewing and Guy C. Landis of Minneapolis and B. A. Cummings of Pierre, S. D., are interested in the Northern Securities company incorporated at the latter city.

The Security State of Lake City, Minn., is capitalized at \$25,000. Incorporators are F. S. Hartshorn and C. J. Hartshorn, Clarion, Iowa; D. L. Mills, J. A. Wright and Peter Bock, Lake City.

The First National of Cavalier, N. D., is having plans drawn in Minneapolis for a \$12,000 building. It is to be two stories and basement, and constructed of brick and reinforced concrete.

TWENTY-FIVE MORE BANKS IN MARCH

The comptroller of the currency has announced that during the month of March, 1912, twenty-eight applications to organize national bank were received. Of the applications pending twenty-five were approved and two rejected. In the same month nineteen banks, with a total capital of \$1,915,000, were authorized to begin business, of which number twelve, with capital of \$315,000, had individual capital of less than \$50,000, and seven, with capital of \$1,600,000, individual capital of \$50,000 or over.

On March 31, 1912, the total number of national banks organized was 10,168, of which 2,903 had discontinued business, leaving in existence 7,365 banks with authorized capital of \$1,041,410,435 and circulation outstanding, secured by bonds, \$717,001,493. The total amount of national bank circulation outstanding was \$744,871,283, of which \$27,869,790 was covered by lawful money of a like amount deposited with the treasurer of the United States on account of liquidating and insolvent national banks and associations which had reduced their circulation.

FRANKLIN TRUST AND SAVINGS OPENS

The Franklin Trust and Savings Bank will open for business in the new building on the northeast corner of Thirty-fifth Street and



SIMON W. STRAUS
President

Michigan Avenue, Monday, April 8th. Its capital is \$250,000, and surplus \$50,000.

Among the directors are the following well-known men: Charles G. Dawes, president; Gustav Freund, S. Oppenheimer & Co.; Central Trust; Maurice L. Rothschild, cloth; Harrison B. Riley, president Chicago Title and

Trust; William F. Woodruff, president Rockford (Ill.) National; Joseph E. Otis, vice-president Central Trust; Simon W. Straus, president S. W. Straus & Co.; S. J. T. Straus, secretary and treasurer S. W. Straus & Co.; and Edgar F. Olson, cashier.

The stock of the new institution was sold at 130, and was oversubscribed. A large volume of deposits has been promised the bank at its opening, and it is expected to play a large part in the business activities of the south side of Chicago.

The bank will do a general banking business, having both savings and checking departments; the trust department will be instituted later. Loans will be made on satisfactory security and real estate first mortgages and first mortgage bonds will be sold to investors. The foreign department will be a feature, letters of credit being bought and sold. Safety deposit vaults, built of chrome steel and concrete, in the most modern fashion, will be a special feature of the bank. Boxes will rent from \$3.00 a year upward.

Simon W. Straus, president of the new bank, is president of S. W. Straus & Co., mortgage and bond bankers, Straus Building, and S. J. T. Straus, its vice-president, is secretary and treasurer of the same institution. Mr. Olson, the cashier, has had a long experience in banking in Chicago. He was assistant cashier of the Englewood National for twelve years, and later was vice-president and cashier of the Mutual Bank. The stockholders of the institution include many men of large financial responsibility.

McKINLEY MEMORIAL ASSOCIATION

Bankers of Cincinnati, Niles and Youngstown, Ohio, have organized a national McKinley Birthplace Association. They propose to erect at Niles, the birthplace of the martyred president, a suitable memorial to his memory. A beautifully bound memorial association booklet is being circulated, and the interest of local bankers, and others is asked by the members of the committee, which consists of ex-Governor Myron T. Herrick, Cleveland, who is chairman; J. G. Butler, Jr., and W. A. Thomas. The officers of the association are J. G. Butler, Jr., Youngstown, president; John G. Milburn, New York City, vice-president; J. G. Schmidlapp, Cincinnati, treasurer, and W. A. Thompson, Niles, secretary. Contributions may be made direct to the treasurer at Cincinnati.

A BANK MERGER OF TWENTY-FIVE MILLIONS

Denver, March 30.—The directors of the First National of Denver and of the Capitol National of Denver will announce tomorrow morning the consolidation of the latter with the former institution. By the consolidation the First National will increase its capital stock to 1¼ million, and its surplus to the same amount, which will make it one of the largest banking institutions in the West. The combined resources will total twenty-five millions.



S. J. T. STRAUS
Vice-President

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

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Pacific Northwest Banking News

Spokane, April 2.—Commercial apple growers in the Inland Empire, in which it is estimated there are orchards containing 15,000,000 trees, will be assisted in marketing the crop by Spokane banks. The plan is to make advances on bills of lading to the extent of 75 per cent of the selling price. The apple crop in the district is a matter of from \$10,000,000 to \$12,000,000, and should be more than \$50,000,000 in 1915, when all the trees now growing will have reached the bearing stage.

Fred Alspaugh, manager of the credit department of the Spokane and Eastern Trust Company, brought the question to the attention of the Spokane Clearing House Association at its meeting on March 26th. Afterward he said in an interview that the banks in Spokane will assist the country banks, also the growers, so that the fruit produced in the Inland Empire may be shipped to all parts of the country, adding: "The apple industry of the Northwest is becoming of vast importance, and we are planning to make more loans than ever before to orchardists and producers. Our bankers in general are in favor of the plan, and we look for all to join in the movement of finding new markets."

O'Neil Again Indicted

Bernard F. O'Neil, former president of the State Bank of Commerce of Wallace, Idaho, now a resident of Vancouver, B. C., where he is resisting extradition, has again been indicted for alleged embezzlement by the grand jury of Shoshone county, in addition to which James A. Wayne, county attorney, has filed new complaints in ten criminal charges. The embezzlement charges allege a theft in four instances of \$14,277. The largest of these, which is charged in one of the criminal complaints, is an alleged theft of \$6,800 in connection with the construction of the third floor of the present bank building. Another charge is that O'Neil took \$5,852 of the funds of the bank to pay a balance due on a note of the Idaho Northern Railroad, in which he was interested. It is alleged that the necessary money to pay this note, was handed to the president of the bank at the time the railroad was sold to the Oregon-Washington Railroad and Navigation Company, and that instead of paying the amount over he had the balance charged off the bank's books. One charge is the alleged theft of \$1,250 received in 1910 from the sale of stock in the Fidelity National Bank of Spokane. In 1906 the State Bank of Commerce purchased fifty shares of stock in the Spokane institution for \$6,250. In 1910 the president is alleged to have sold the stock at an advance on the purchase price of \$1,250. The balance, it is said, never went to the credit of the now defunct bank. The premiums were paid into the bank and registered regularly on its accounts.

Spokane Savings and Loan Society

Spokane Savings and Loan Society of Spokane has moved to its new quarters on the main floor of the Auditorium building. The

society has added the following men to its board of directors: A. L. Porter, secretary Western Retail Lumbermen's Association; Fred W. Kiesling, secretary Inland Empire Biscuit Company; Walter M. Burns, vice-president Shaw & Borden Co.; W. S. Gilbert of Hamblen & Gilbert, lawyers; Bruce M. Watson, superintendent of public schools; Zach Stewart, county treasurer; Sikko Barghoorn, manager of the Netherlands-American Mortgage Bank; F. A. Chase, secretary-treasurer.

Spokane and Eastern Trust Company

Bruce M. Watson, superintendent of schools; Zach Stewart, county treasurer; F. K. McBroom, chairman board of county commissioners; H. D. Dearling, deputy city comptroller, and Walter W. R. May, representing the depositors at large, recently examined the savings department of the Spokane and Eastern Trust Company. Their report shows \$915,016.06 in deposits, invested as follows: \$59,516 in bonds; \$444,124.95 in warrants; \$306,915.25 in first mortgages and \$104,459.86 in cash on hand. The committee commended the savings accounts of the public school chil-

dren, where amounts from ten cents up numbering 3,000 separate accounts are kept. The aggregate of the school savings is \$23,000.

To Interest Farmers in High-grade Seed Corn

Spokane bankers have been requested by railroad officials in the central states to interest farmers in the Northwest in the growing of a high-grade seed-corn, due to the dearth of suitable seed in the native corn states. E. F. Swinney, president of the First National Bank of Kansas City, Mo., has written to the Old National Bank, saying in part: "The condition of the soil and the amount of moisture throughout the West are so unusually favorable the bankers of the western states should endeavor in every way possible to lead the farmers to take advantage of these favorable conditions for growing good seed corn."

Banking Notes

F. F. Johnson, cashier of the City National Bank of Boise, Idaho, celebrated the twenty-fifth anniversary of his advent into Coeur d'Alene, at Murray, Idaho, a few days ago. He went to Idaho in 1887, and began his bank career in the employ of Charles Hussey of Spokane.

W. A. Shepard, assistant auditor of the Northern Trust Company of Chicago, has become auditor for the Union Trust and Savings Bank in Spokane, to fill the vacancy made recently by the promotion of W. G. Hall, auditor, to assistant secretary.

Union Trust and Savings Bank of Spokane has bought at par, with a premium of \$305, and to bear interest at the rate of 5½ per cent, an issue of \$20,000 school bonds at Newport, Wash. There were fourteen bidders.

M. E. Estep, landscape architect, has been engaged to prepare plans for a roof garden in the court on the level of the third floor of the Old National Bank building. The Paulsen building, directly opposite, also will have a roof garden.

C. M. Scott, president of the Western Farm Mortgage Company at Sunnyside, Wash., is being sought by officials of Yakima county, charged with grand larceny by alleged false pretenses.

Seattle

No one form of development in Seattle and the entire state of Washington made greater strides in 1911 than banking. Banking operations reached the highest point in the history of the state.

That the banking field in Seattle and the state at large presents many opportunities was indicated by the fact that no less than twenty-one new state banks were authorized during the year, and in addition, nine old banks increased their capital stock from an aggregate of \$210,000 to \$300,000. State banks in Washington have for several years past offered an attractive opening for eastern bankers, who

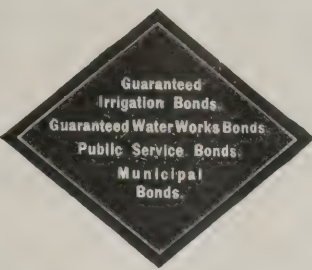
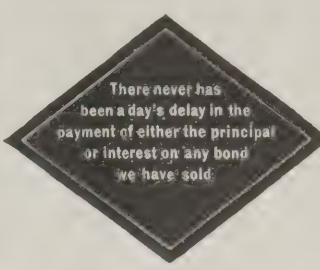


The Old National Bank OF SPOKANE

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have desired to locate in the West. A majority of the new state banks have been financed by eastern men.

That the state banks were prosperous during 1911 is shown by the fact that their resources increased from \$104,424,514.05 to \$109,161,924.35.

A feature of the banking situation of the state at large was the material increase in savings deposits. Savings deposits for the year show an increase from \$27,136,679.33 to \$28,045,691.45. King county's savings deposits increased from \$18,128,424.89 to \$18,367,654.48. The increase in savings was more pronounced in the more sparsely settled counties.

Seattle banks, state and national, made a remarkable showing during the past year, particularly during the latter half of the year. In the face of the smallest volume of lumber business known in several years, general business was of sufficient volume to enable the bank clearings to exceed those of the previous year. While the total clearings for the year fell off, the loss was all in the first half of the year.

The capital stock of Seattle's banks increased \$400,000 during 1911, bringing the total amount of money invested in Seattle bank stocks up to \$7,665,000. The surplus and profits of Seattle's banks increased about \$359,000 during the year.

Money was easy in Seattle during the past year. The banks were able, and did finance the bulk of the business requirements of the year. The 1911 salmon canning requirements were the heaviest ever known, yet the banks furnished all the money that was needed.

One of the features of the Seattle banking situation is that the banks have been so conservatively operated that there have been no failures in recent years. In fact, none of the local banks have even been in deep water. During the panic of 1907 the banks were so well fortified that by standing together, the large as well as the small institutions went through that trying period without a mishap.

Another feature of the banking situation has been the large amount of bonds and other securities invested in by local banking institutions. One of Seattle's largest banks during the year established a bond department for the purpose of handling, among other things, Seattle and King county bonds as well as bonds of other cities and counties in the Northwest. The Seattle bank was one of the first in the Northwest to enter this kind of business, a business which most large eastern banks have found profitable. As a result of the large purchases of stocks and bonds and other high-class securities, the investment item of Seattle banks increased from \$12,408,457.23 on November 10, 1910, to about \$17,000,000 on December 5, 1911.

One of the encouraging features of the general banking situation of the state is the fact that country banks are in much stronger position than they were a year ago. The state banks have cut down their bills payable from about \$1,600,000 to \$800,000, and have also cut the overdraft item in two.

William A. Law

William A. Law, vice-president of the First National Bank of Philadelphia, called on his Chicago friends this week. Mr. Law is an ex-member of the executive council of the American Bankers Association, and is one of the most prominent bankers in the East. He has an extensive acquaintance with bankers throughout the country, particularly in the southeastern states. His institution has made very rapid strides in the last few years, and in the near future contemplates moving into new quarters, which will be quite elaborate.

WILLIAM DEERING STEWARD

William Deering Steward of Plano, Ill., is a candidate for the democratic nomination for auditor of public accounts. Mr. Steward is the son of the late Lewis Steward, who served many terms in congress, and who was a very prominent figure in democratic party affairs. He is a lawyer; has served as chairman of the democratic county central committee for eighteen years, and has been elected mayor of the city of Plano for seven consecutive terms, now serving his fourteenth year as such. For the past sixteen years he has been engaged in the banking business at Plano, the greater part of which time he was the head of the firm of Steward Brothers. He now is president of the First State Bank of Plano. Bankers will make no mistake in supporting Mr. Steward at the polls.

LA SALLE STREET NATIONAL

The vindication of the reputation of Senator Lorimer at the hands of the senatorial committee appointed to try him seems to have been a potent influence in boosting the price

of the stock of the LaSalle Street National of this city, and of which Senator Lorimer is president. It is said that the stock has advanced twenty-five points since the announcement of the finding of the committee.

DR. R. E. TAYLOR

Dr. R. E. Taylor, soil expert of the Deere Company of Moline, was a Chicago caller the past week. Dr. Taylor will address the members of Group 6, who will hold their meeting at Tuscola on June 4th. He will speak in regard to soil and better farming methods. Every effort is being made to arouse the enthusiasm of the inhabitants of this locality in regard to these subjects. It is expected that there will be a large attendance of farmers.

DIVIDEND FOR KERN VALLEY BANK

Superintendent of Banks W. R. Williams of California has ordered payment of the first dividend of 40 per cent to the depositors of the Kern Valley Bank, Bakersfield, Cal., in liquidation. Payments began Monday, April 1st, and will aggregate over \$300,000. Superintendent Williams ordered that bank into liquidation May 12, 1911, because the bank had advanced \$450,000 on bonds of the Sunset Road Oil Company, the value of which had shrunk and impaired the capital of the bank. At the time Williams took charge of the bank its assets and liabilities aggregated \$1,084,660; capital, \$100,000; surplus, \$60,000; undivided profits, \$65,000. Bank's liability to depositors was \$800,000.

Steps are being taken by Denver bankers and brokers by which they will pool their interests, making it possible for the entire issue of \$2,900,000 bonds for a proposed civic center in that city to be disposed of locally.



FLORIDA NATIONAL BANK
Jacksonville, Florida

JOHN McHUGH - President
 JOHN J. LARGE - V.-Pres.
 W. L. MONTGOMERY, V.-Pres.
 HENRY G. WEARE - V.-Pres.
 F. A. McCORNACK - V.-Pres.
 H. A. GOOCH - Cashier
 O. D. PETTIT - Asst. Cashier
 FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
 BUSINESS AND OFFER
 YOU EXCEPTIONAL
 FACILITIES. CORRE-
 SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
 Excellent Collection Facilities

ARTHUR REYNOLDS, President
 J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
 C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
 W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
 C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
 Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
 Savings Bank that Makes a Specialty of
 Collections and Bank Accounts

Largest Bank in Clinton
 County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITORY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
 35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VECHTEN, President
 GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
 KENT C. FERMAN, Cashier A. R. SHOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Des Moines, April 3.—The Iowa Bankers Association will devote more time and attention to agricultural topics at the coming state convention than ever before. Dean C. F. Curtiss of Ames College has been secured for the program. Dean Curtiss will discuss the advantages that will accrue when the Iowa bankers put their shoulders to the agricultural wheel and push together for intensive farming, better crops, scientific methods on the Iowa farms and more enjoyable rural social conditions so that the flight of young people from the farms to the city will come to an end. It is probable that Joe Chapman, Jr., of Minneapolis will speak on kindred subjects for the benefit of the assembled financiers.

Secretary Hall has invited Detective W. J. Burns to appear before the association. Since Detective Burns has been retained by the Iowa Bankers Association, there has been an unusual interest developed in his agency and its workings. John T. McCutcheon, the cartoonist, has also been asked to take part in the program. Considerable disappointment has followed the announcement from William Witham of Atlanta, that he cannot address the convention.

The program will be less "shoppy" than usual. The executive council instructed Secretary Hall to keep away from bank taxation and the financial question in assigning topics. They prefer a little more froth and a social meeting that will give the financiers a welcome relief from the routine of every-day life.

Special interest attaches to the invitation of Franklin MacVeagh or Comptroller Murray to speak. Neither has as yet accepted the invitation, however.

C. T. Cole

C. T. Cole, Jr., vice-president of the Valley National of Des Moines, says there is 50 per cent less borrowing among the farmers of Iowa this year than usually. Country bankers report the farmers of Iowa as happy, and as little affected by the fact that crops last year were hardly up to snuff because of the drouth. They had sufficient funds on hand to make borrowing unnecessary. At the same time, the Iowa farmer is improving his property, testing his seed corn and getting ready to produce wealth in great quantity this coming summer.

L. Stevens Optimistic

Lee Stevens, president of the Century Savings Banks, Des Moines, believes that the coming year will be one of the best in many. He figures that the snowfall this winter put the soil in good condition for the crops, that the railroads are showing confidence by mapping out improvements and extensions in the West and Middle West, and says that there is a generally optimistic tone. So far as the West is concerned, money is easier, he says. He thinks that the East finds the situation not quite so encouraging. They have more idle

money back East, and do not seem to have the same buoyancy that exists in the Middle West, where conditions are always better on the whole than in any other part of the country. The presidential campaign is bound to have an effect upon conditions, but it will not be a serious one, says Mr. Stevens.

"The East centers its hopes in pig iron while we in the West center ours in pigs," observed Mr. Stevens. "In the East even coke is a factor to be reckoned with while we in the West figure in cattle and corn."

Group Meetings Scheduled

Only three group meetings have yet to make up their minds as to time and place. Secretary Hall of the I. B. A. has been notified of the following dates and locations: Group 1, Sheldon, May 2; Group 3, Northwood, May 15th; Group 4, New Hampton, April 25th; Group 5, Council Bluffs, May 7th; Group 8, Clinton, May 9th. Those not yet heard from are Group 2 at Ft. Dodge; Group 6 at Des Moines; Group 9, date and place not determined.

Bank Robberies Becoming Scarce

Bank robbery has become unpopular in Iowa. Not since November 24th has there been a robbery or an attempted robbery reported to the state association headquarters here. That was the date of the Derby robbery. Two men have been convicted of that affair, and two more are awaiting trial. Another conviction was secured at Panama. These convictions and the vigilance with which the officers are getting after bank robbers are having a discouraging effect, it appears. However, Iowa is not objecting.

Will Work in Bohemian Bank

Frank Filip, cashier of the Security Savings at Cedar Rapids is going to make himself useful while in Bohemia, whither he sails about May 1st. Mr. Filip has secured a position in the Bank Bohemia in Prague, and will study the methods that prevail in that institution. Of course the position is only temporary, as Mr. Filip has no intention of quitting America. The primary purpose of his visit across the briny is to attend the international Sokol festival and tournament, but he will sail five weeks early so as to get the banking experience, which he believes will be valuable.

Woman School Treasurer

Guthrie Center is making another bid for fame by electing a woman school treasurer. It is said that Miss Katharyn B. O'Dair of that city is the only feminine official holding this position in the state. She was opposed by Carl H. Lane, but she bested him 254 to 113. For several years, Miss O'Dair was assistant cashier of the First National at Guthrie Center. But some time ago she resigned to become interested in the new People's State. Lane was put up by the First National as a

Parma, Mo.—The Peoples Bank of Parma has been organized. J. T. Gee and C. C. Fly, of this place, and R. C. Allen, of Florida, are interested.

candidate against her, and the contest was decidedly exciting.

Bankers Back

Des Moines bank presidents who have been out of the city during the winter are gradually returning. Homer Miller of the Iowa National is home after two months at Palm Beach and Simon Casady of the Central State is home from Panama. Arthur Reynolds of the Des Moines National is still at Pasadena.

Bank Wins Interesting Suit

An interesting point was involved in a case tried at Boone last week in which Judge Kintsinger directed a verdict for the First National of that city for \$881.91 against Dr. H. T. Walker. Dr. Walker had given a note for that amount to the Johnson Auto Company, which later failed, and the bank had purchased the note. It seems that Walker had paid part cash on the machine. He contended that he was to have a discount as agent on two machines, which he sold. He claimed a reduction therefore from the face of the note. The court held that so far as the bank was concerned it was an innocent purchaser, and that the understanding between Walker and the company could in no way involve the institution.

Elected Mayor of City

Robert Johnston, cashier of the Humboldt State at Humboldt, was elected mayor of that city without opposition at the city election last week. Johnston is a leading citizen of Humboldt, and has long been a prominent republican.

Banking Notes

P. W. Hall, secretary of the Iowa Bankers Association is drawing upon the members of the organization for their dues for the current year. The membership fee is \$5 per year for banks under \$50,000 capital and surplus and \$10 for banks over that amount.

F. C. Williams, assistant cashier of the Farmers Bank, Adair, was unanimously re-elected treasurer at Adair.

E. J. Curtin, president of the I. B. A., has been in Chicago, and goes thence to Beach, N. D., on business connected with an institution in which he is interested.

Robert W. Bonyng of Denver, formerly member of the monetary commission, whose speech before the University Club in Des Moines was mentioned last week in this paper, spoke at Davenport also. His speech in Des Moines was decidedly interesting, and gave a great insight into the financial question.

The Peoples Trust and Savings at Clinton has asked for a receiver for the Springdale Cemetery of that city, so that it may secure a judgment of \$28,213. The cemetery borrowed that amount from the trust company to enlarge and improve the grounds but failed to pay up.

The comptroller of the currency has approved the application for the Peoples National at Waukon. The capital stock will be \$50,000. The organizers are H. E. O'Donnell, J. W. Cain, E. Selling, D. J. Murphy.

Several bankers and capitalists in Council Bluffs and vicinity are organizing a savings bank at Percival. The capital stock will be \$10,000. The building now occupied by the Bank of Percival has been leased. Those who are interested include Mark Morrow of Percival; President Joseph Samuels of the Nishna Valley Bank of Riverton; President C. H. Harris of the Bank of Bartlett of Bartlett; President C. E. Price of the Commercial National of Council Bluffs.

W. H. Bedford, for six and one-half years assistant cashier of the Cedar Falls National at

Cedar Falls, has resigned to be financial representative of the A. C. Bohmstedt Co., of Minneapolis.

The suit in federal court against Banker A. E. Read, a Shenandoah banker, and others, as a result of the difficulty in which they are involved with parties at Marseilles, Ill., has been continued until fall. They are defendants in an action for damage of \$100,000.

The capital stock of the Center Junction Savings has been increased from \$10,000 to \$20,000.

R. N. Tanny has been chosen vice-president of the First National at Montour, succeeding I. C. Milliard, whose death occurred recently.

The First National at Toledo has taken over the business of the Fidelity Savings at that town, according to reports in Des Moines.

The German American Savings at Lamotte has increased its capital stock to \$20,000.

W. C. Sargent has been made vice-president of the First National at Grundy Center and Harold Finlayson, assistant cashier of the same institution.

Sioux City

By JOHN J. BIDDISON.

High water, ice jams, heavy snows, rain and impassable seas of mud in certain sections have conspired to make the last week not particularly enjoyable to any class of people, and bankers, along with others, have felt the depression that follows the cessation of activities in the country. However, the building season is opening strong in Sioux City, with prospects for a repetition of the last two seasons of active operations, the women are still buying spring finery as usual, and wholesale and retail trade is as good as could be expected, circumstances considered. There is a disposition to forget that South Dakota was burned up last year, and to remember instead that he state from center to circumference has been blessed with abundant rainfall and snowfall, the evidence of which is the present flood condition.

First National Remodeled

The finishing touches have been put on the interior of the First National, since it has been enlarged and remodeled, and the banking room presents an imposing appearance, both inside and out.

How Interest Accumulates

A shining example worth citing to those who do not appreciate the value of interest is to be found in a story that comes from Clarinda, Iowa. A bank there has kept in its vaults for twenty-nine years a deposit of \$300 that was placed there as a public subscription to build a soldiers' monument. The project was abandoned, but the treasurer of the fund, forgetting about the money, allowed it to lie in the bank. The matter was brought to light only recently, and it was found that the accrued interest has made the fund a little more than \$1,100. Now a fund is being raised to add to it, and carry out the original purpose of the depositors.

Cowboy Outwits Bank Official

A clever bit of forgery and check passing in which a South Dakota cowboy outwitted a bank official has just been perpetrated at Bowman, S. D., with a bank there as the victim. Jack Armstrong, the cowboy, has disappeared. Armstrong drove into Bowman, represented himself to be a rancher and dealer and presented a check for \$3,000, drawn by "Cushman Bros." on the Little Missouri Bank, of Camp Crook, S. D. He said he had received it on a horse deal. He said he desired to purchase a car of goods in Bowman, and would take cash to the amount of \$400, leaving the

rest on deposit until the check had been returned from the bank on which it was drawn. The ruse worked, the cowboy got his money and disappeared, and the check came back marked "forged."

Banking Notes

Lorne F. Parker, lately assistant cashier and chief clerk of the First National Bank of Cherokee, Iowa, has purchased a controlling interest in the Newell Savings Bank, of Newell, Iowa, and will reorganize it as a national institution. H. Rodman, of the Cherokee State Bank, takes Mr. Parker's place at Cherokee, and Geo. Wilson, formerly deputy county auditor, takes Mr. Rodman's place.

Dean Howard, second vice-president of the Citizens Trust and Savings Bank, has received word of the death of his sister at Vermillion, Ohio. He left immediately to attend the funeral.

Among the Visiting Bankers

W. T. Graham, cashier of the First National of Laurel, Nebraska, transacted business in the city Tuesday.

Herman Fortin, cashier of the Farmers Bank, Salix, Iowa, was in Sioux City Wednesday.

H. T. Blackburn, cashier of the Iowa National, Des Moines, Iowa, was a Sioux City visitor Wednesday.

C. J. Wohlenberg, cashier of the Holstein Savings Bank, Holstein, Iowa, was calling on his friends at the First National Wednesday.

W. L. Gund, cashier of the Bank of Marcus, Iowa, was in the city Wednesday on business.

C. T. Hegnes, cashier of the Dakota State Bank, Baltic, S. D., transacted business in Sioux City Wednesday.

John R. Welch, president of the First State Bank, Mapleton, Iowa, was in the city Wednesday.

W. A. Schaetzel, president of the Union County Bank, of Elk Point, was in the city on business Wednesday.

W. H. Shaw, president of the Hutchinson County Bank, Parkston, S. D., transacted business in the city Thursday.

J. S. Wilson, cashier of the First National of Hull, Iowa, was a business visitor in the city Thursday, and visited with his friends at the First National.

Wm. Mee, vice-president of the First National of Centerville, S. D., was in the city Friday.

A. C. Wilson, assistant cashier of the First National of Hull, Iowa, was in town Friday.

J. Fred Mattert, cashier of the First National of Sibley, transacted business in Sioux City Friday.

W. J. Sinyard, cashier of the Bank of Archer, Archer, Iowa, was in town Saturday on business.

Harry Wentzy, president of the Security Savings Bank, Rapid City, S. D., was in Sioux City Wednesday calling on his friend, W. L. Montgomery, of the First National Bank.

ARIZONA BANKERS CONVENTION

The ninth annual convention of the Arizona Bankers Association will be held at Tucson, Ariz., October 18 and 19, 1912. A very interesting program has been arranged for the entertainment of members and visitors, and a large attendance is provided for.

GRADY BILL PASSED

Albany.—Senate passed Grady bill providing every bank or individual banker shall deposit with State Bank Department, state or United States bonds in value of 5 per cent of paid-up capital.

CHAPTER RECORD

(Department of Chicago Banker)

An Open Forum Dedicated to the American Institute of Banking in Which to Advance the Great Movement for Systematic Education and Universal Membership

OTTO J. KRAMPIKOWSKY ON SALT LAKE CITY CONVENTION

The American Institute of Banking will hold its annual convention for 1912 at Salt Lake City, Utah, August 21st, 22d and 23d. One of the features of the trip is the fact that the most striking scenic points, such as Pike's Peak, the Royal Gorge, Grand Canyon of the Arkansas, the Collegiate Range, Mount Massive, (the highest peak in Colorado), Tennessee Pass, Eagle River Canyon, Canyon of the Grand River, Glenwood Springs, Castle Gate, the Wasatch and Oquirrh Range, Utah and Salt Lake Valleys, are all to be seen from the car windows, requiring no additional expense for side trips.

George A. Jackson, chief clerk of the Continental and Commercial National Bank, who is chairman of the transportation committee, reports that the train for this convention will consist of the most modern equipment, including observation, compartment and standard drawing-room sleepers, dining-car, etc., and every effort made to make this the most pleasant trip ever taken by the members of the American Institute of Banking.

Mr. Jackson states that the first stop will be made at Denver, the mile-high metropolis of the Mountain Empire at the base of the Rock Mountains, named in 1859, for General James William Denver, then governor of Kansas, for this region was the wilds of Kansas Territory—Colorado's capital and "Queen City of the Plains," and ought not to be neglected in any transcontinental outing. Denver's population in 1900 was 133,859; in 1910, 213,381, which is an index of progressiveness. A full page of fine type would not contain a skeleton outline list of notable structures and pleasure places in the city and suburbs. The Capitol, City Park, United States Branch Mint, Public Library, Auditorium, Chamber of Commerce, Cheesman Park, Inspiration Point, Blitch's Garden, White City by the Lakeside, Overland Park, Country Club, Park Driveway and Stockyards, with the spacious Stadium, are distinctive. Those who tarry a day are apt to stay a week. Hotels and other transient houses are superior in number and attractiveness to those of other cities of its class, and suit every taste or condition. In this respect, Denver is a joyhaven for all those whose circumstances compel a dollar doing double duty. "Seeing Denver" automobiles will meet the train upon arrival, and take the party for a ride through the business and resident sections of the "Queen City of the Plains," and gateway to a marvelously beautiful wonderland among the clouds.

The second stop will be either Colorado Springs or Manitou, as decided by the transportation committee, and there conveniently packed. It is a two hours and thirty minutes run from Denver to Colorado Springs. There are a number of delightful side trips, which may be made into the Pike's Peak region. The shorter of these little journeys from Colorado Springs can be made by carriage or automobile to the Garden of the Gods, with its grotesque formations, and return—time about two hours; to Monument Park—about the same time; across the Mesa to Palmer Park and return via the boulevard—about three hours; to Stratton Park, North and South Cheyenne canyons, and the famous Seven

Falls, about four hours; to include the "High Drive," the grandest of all, thence down through Bear Creek Canyon and Colorado City, back to Colorado Springs, a half-day is preferable. The trip to Crystal Park via automobile from either Colorado Springs or Manitou requires about four hours, and is one of the grandest trips in this region.

In the vicinity of Manitou are the Cave of the Winds, Cliff Dwellers Ruins, the scenic incline up Mt. Manitou, Ute Pass and Temple Drive, its celebrated mineral springs, soda and iron, fine hotels, summer homes and camp nooks, five miles west, where the Cog Road starts to climb Pike's Peak, 14,109 feet altitude. The new auto road to Crystal Park, Ute Pass, Grand Caverns, Garden of the Gods, Falls of Minnehaha, Cave of the Winds, are among the host of nearby pleasure places.

Cheyenne Mountains, North and South Cheyenne canyons, the forty-five-mile railroad to Cripple Creek, the great gold field, and Broadmoor, are a few of the numberless attractions grouped around Colorado Springs.

The following are some of the very interesting places which will be passed by the A. I. B. Special, leaving Chicago:

Pueblo.—Colorado's second city, the Pittsburgh of the West, the local center of the Colorado Fuel and Iron Company's \$40,000,000 steel plant, is 120 miles south of Denver on the Arkansas River.

Canyon City.—A mountain encircled orchard amphitheatre, proudly named for the Grand Canyon of the Arkansas, is a home inviting town in the midst of many restful features.

The Royal Gorge.—An observation car is attached at Canyon City for the Royal Gorge, and now the train approaches the towering chasm through which the tumbling Arkansas escapes from the granite walled-mountain fastness to freedom and the open world.

Eagle River Canyon.—This canyon is not only impressive with its grandeur of nature, but presents also the most curious sight of mines being worked all up and down the face of well-nigh perpendicular walls two thousand feet high on either hand.

Grand River Canyon.—Is near the junction of the Eagle, a short distance below the prosperous town, Gypsum, and contributes joyous variety to the view. For sixteen miles there is a glorious kaleidoscopic rock color scheme, reds, grays and blacks mingling with green verdure, as the canyon opens out and closes in.

Glenwood Springs.—Boasts a banner hotel, "The Colorado," a resthaven beyond compare, with spacious park grounds abounding in shade in which are the large swimming pool, most of the mammoth sulphur hot springs, handsome administration building and bath houses, with the Hot Cave at the upper end—an inviting stopover point.

Castle Gate.—In the heart of Utah's extensive coal fields, named for two jagged sandstone monoliths, towering 500 feet on either side of the track, is the portal of Price River canyon—"Entrance to the Promised Land," the Mormons called it. Soldier Summit, 7,454 feet elevation, is twenty-one miles distant. Here the downgrade begins.

The next and last stop is Salt Lake City, which teems with conflicting surprises. It is old and ever new—farming metropolis and

mining center, Temple and Tabernacle amid quaint surroundings, and right at hand modern hotels and tall buildings, occasion bewilderment. Saltair, where everybody goes to enjoy the marvels of Great Salt Lake, stands alone as a joy-place. The bathing is unlike any ocean—a delight not to be missed. Musical folks should hear the Tabernacle organ, and learn its story. For the benefit of tourists free public recitals are given in the Tabernacle, generally during the noon hour, daily through the summer season.

At Salt Lake City connection is made with the Oregon Short Line for the trip to Yellowstone National Park, which occupies the northwest corner of the state of Wyoming, and strips of the adjacent states of Idaho and Montana. In 1872 by Act of Congress, this portion of the Rocky Mountains was set aside as a national park for the benefit and enjoyment of the people. Yellowstone Park embraces practically three and a half thousand square miles. Nowhere in the world are there geysers to compare, either in magnitude or number, with those in Yellowstone Park. The terraces and beautiful pools of Mammoth surpass even those in New Zealand. The Grand Canyon of the Yellowstone is unsurpassed in beauty and coloring, and the Great Falls, at its head, is 360 feet in height.

The round trip rate, Chicago to Salt Lake City and return, is approximately \$45.00, whereas the round trip rate from Chicago to Yellowstone Park and return is approximately \$47.00. Therefore, all members of the American Institute of Banking intending to make this trip to Salt Lake City are requested to take the matter of rates into consideration, as if a ticket is only purchased to Salt Lake, it will cost \$8.00 additional for the trip to Yellowstone Park and return.

FORM A. I. B. CHAPTER

Clerks of the different banks of Fargo, N. D., and Moorhead, Minn., located opposite, have formed a chapter of the American Institute and anticipate conducting a course of lectures and studies in the various works of banking. The chapter will hold frequent meetings, and is expecting to create a wide interest. A similar chapter will also probably be formed at Grand Forks, N. D., a few miles north of Fargo.

DETROIT CHAPTER TO GIVE MINSTREL ENTERTAINMENT

On the evenings of May 6th and 7th at the Detroit opera house the Detroit Chapter, American Institute of Banking, will make its bow to the local public in refined minstrelsy. The young men have been working very regularly and conscientiously at their rehearsals and results show that they have been making good. There is no phase of the entire program in which they have not become familiarly proficient, from the ensemble through the team work in sketches, song and dances clear down the line to individual work in mirth provoking efforts.

Among the new songs with lilting music, which will be rendered are, "What the Engine Done," a big hit funnier than Casey Jones, "Harbor of Love," "Any Place the Old Flag Flies," the latest song hit from George

Cohan's Broadway success. The "Little Millionaire," by special permission; "Everybody's Rag Time Crazy," "The Gypsy Sweetheart," and "Kill the Thing and Bury It, It's Half Dead Now," music by Ray Egan, Peoples State Bank; words by Frank Rose, full of local color pertaining to the city of Detroit, and many other catchy numbers, which will add greatly to the success of the occasion. The advance seat sale opened Monday, April 1st, and the inquiries for seat reservations indicate a record-breaker for an affair of this kind. The following are members of the minstrel show committee:

Chairman general committee, W. H. Farr. Executive, W. H. Farr, I. H. Baker, A. S. McKenney. Advisory, Chas. Higgins, Wm. Feuhrer, Fred Christy, J. F. Hart, Geo. T. Courtney. Finance, A. S. McKenney, W. J. Nesbitt, Chas. Partridge, Jos. Grindley, R. T. Cudmore. Arrangements, C. L. Cross, Jno. Shaw, A. W. Schweitzer Chas. E. Clark, R. Harfst, Ray Egan, Geo. Pipper, Fred Blodgett. Publicity, J. P. McHugh, S. L. Kingston, L. A. Altman, A. Chilman, John Koch, J. M. Roney, Hugh McClelland, Jr. Ticket, Leo Heaphy, W. S. Walker, T. E. Bradley, Wm. Broughton, J. McGrath, J. G. Dalgleish, W. S. Sands, L. C. Be Gole. Program, Frank Temple, Theo F. Osius, Ivo S. Faurote, M. L. Doyle, Wm. Regan, W. Boeberitz, L. Courtaigne, J. H. Rooks.

Nelson N. Lampert

Nelson N. Lampert, vice-president of the Fort Dearborn National of Chicago, will be unable to make the trip to Briarcliff to attend the sessions of the executive council of the American Bankers Association. On May 2d, he will leave Chicago for Los Angeles, as a representative to the Imperial Council, Nobles of the Mystic Shrine, who will hold a convention in that city. He will be accompanied by Mrs. Lampert. Mr. Lampert is a thirty-third degree mason. He is past master of the Garden City Lodge, No. 141, A. F. & A. M.; member York Chapter, No. 148, R. A. M.; Tyrian Council, No. 78, R. & S. M.; Past T. I. M.; Apollo Commandery, No. 1, K. T.; Past E. C.; Oriental Consistory, S. P. R. S.; and past potentate Medinah Temple, A. A. O. N. M. S.

NORTH CAROLINA COTTON OUTPUT

North Carolina has become the banner cotton producer in point of yield per acre. Not only has the state led all others this year, but in 1910 its average yield was 227 pounds an acre, against 149 for Texas and 173 for Mississippi. In 1909 the yield was 210 per acre, against 125 for Texas and 157 for Mississippi. In 1908 Arkansas, Tennessee, South Carolina and Mississippi exceeded North Carolina's yield. The lowest average for the state in the last six years was 205 pounds per acre.

A "BUTTERFLY AND MOTH BOOK"

"The Butterfly and Moth Book," by Ellen Robertson-Miller, to be published by the Scribners early this month, is, as the author says in her subtitle, "the story of personal studies and observations of the more familiar species." Mrs. Robertson-Miller, in a most readable and delightful way, gives an account of the lives of those varieties of moths and butterflies that are within reach and sight of all of us, and about whose names and adventures most people are completely ignorant. Her investigations and observations, carried out in the most painstaking and scientific way, are described with the enthusiasm and vivid,

sympathetic interest that carries the reader along and fills him with a desire to see for himself in the out-of-doors, what has so thrilled him within doors.

The illustrations, of which there are about two hundred, are made from drawings from life by the author, and from photographs by J. L. Kane, G. A. Bash, Dr. F. D. Snyder, and others, and give in themselves in many cases almost as complete histories of the moths and butterflies as the text. Besides telling the story clearly and picturesquely, they are often strikingly beautiful.

NATIONAL CITY CIRCULAR

The National City Bank of New York City in its April circular says: The high record made by the postal savings system is best indicated by the fact that the postoffices so far designated have received deposits aggregating nearly \$20,000,000 with a reasonable prospect that by the end of the present calendar year, this amount will have been increased to from \$40,000,000 to \$50,000,000, with the service fully self-supporting. This large sum, which it is asserted by the department officials has



Transit Department in "11-8", where 1,500,000 operations a month are saved in writing Transit Letters. The average Transit item requires 35 operations on a typewriter. This bank has reduced the average to 9.

60,000 Transit Checks a Month 3 Burroughs Transit Machines

The above photograph of the Transit Department of "11-8" (First National Bank of San Francisco), shows how important the Burroughs is in that department.

"Before the A. B. A. numbered all banks," said Transit Manager Palmer, we used our own numbers for the drawers and depositors. Endorsing stamps were supplied our large customers, and we seldom have to write in the name of any depositor. The work of taking the record of a check is reduced to a minimum.

"We are using no more clerks today than we were 18 months

ago, and the volume of transit business has increased very considerably. The saving, I think, is largely due to the Burroughs Transit Machine."

How much time is spent handling Transit work in your bank? Multiply half the cost of that time by 300 banking days and you will have the amount the Transit Machine will save you in a year.

Let us send you a list of the 44 other kinds of bank figure work which can be handled at a saving of time on the Burroughs Transit Machine. Or, better, let us send a man to *show* you, without cost or obligation.

Burroughs Adding Machine Company

65 Burroughs Block, Detroit, Michigan, U. S. A.

European Headquarters, 76 Cannon St., London, E. C., England

come almost entirely from hiding, has been put into active circulation to the mutual advantage of the thousands of depositors and the country at large.

Up to this time 8,003 postoffices have been designated as savings offices, which nearly completes the presidential list, and it is expected that within a week or two work will be begun with fourth-class offices. The department is now at work ascertaining what fourth-class offices are located in towns having banking facilities, and these will be designated first.

POSTAL SAVINGS BANKS

One thousand postal savings depositories a month, until every village, hamlet and town in the United States has been supplied is the program announced by Postmaster-General Hitchcock. A thousand postoffices have been designated to begin the banking business May 1st.

When this task has been accomplished the system will be the most extensive in the world. Deposits at the eight thousand offices now operated total more than \$16,000,000.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

BANK FIXTURES FOR SALE

FOR SALE—About 40 feet marble fixtures, practically new. Low price. Quick delivery. Can be changed to suit. See sample in this office. Send diagram of your room. For particulars address or call CHICAGO BANKER OFFICE, 407 Monadnock Block, CHICAGO

FOR SALE—Miscellaneous

1-A Reflex, focal plane shutter, Celorsix-inch lens. Cost \$84.50. Like new, \$45.00. Address, X-44, Chicago Banker.

1-A Graflex, 1C, Tessar lens, focal plane shutter (new out of stock), value, \$101.50. Sell, \$85.00 Cash. Address, X-55, Chicago Banker.

4x5 Goerz-Argo, latest model, Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$165.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale. 9/16-inch Goerz Dagor, Volule shutter. value \$97.50. Sell for \$50.00, like new. Six-inch Dagor, Kollos Shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are today. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.00. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission appointed by congress, and discusses the means of providing a permanent safeguard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

History of Banking in the United States. John Jay Knox. \$5.00.

Practical Banking. Claudius B. Patten. \$5.00.

Modern Banking Methods. A. R. Barrett. \$4.00.

Elements of Foreign Exchange. Franklin Escher. \$1.00.

Gold Production and Future Prices. Harrison H. Brace. \$1.50.

Pushing Your Business. T. D. MacGregor. \$1.25.

Economic Causes of Great Fortunes. Anna Youngman. \$1.50.

Neglected Point in Connection with Crises. N. Johannsen. \$1.50.

Moneys of the World. James P. Gardner. 50c.

Bankers' and Merchants' Perpetual Maturity Guide. \$5.00.

Trust Companies—Their Organization, Growth and Management. Clay Herick. \$4.00.

Savings Bank and Its Practical Work. Wm. H. Kniffin, Jr. \$5.00.

Practical Treatise on Banking and Commerce. George Hague. \$3.00.

Banker in Literature. Johnson Brigham. \$2.00.

Bank Directors—Their Powers, Duties and Liabilities. John J. Crawford. 50c.

Credit Currency. Elmer H. Youngman. 50c.

Natural Money. John Raymond Cummings. \$2.00.

Two Thousand Points for Financial Advertising. T. D. MacGregor. \$1.50.

All or any of the above books will be sent, carriage prepaid, by THE CHICAGO BANKER,

407 Monadnock Building, Chicago.

PAINTING THE MAGNATE

Emerson Hough, the famous Chicago writer, has given the public a powerful portrayal of the modern magnate, in "John Rawn," published by Bobbs-Merrill Company, Indianapolis. Rawn has but one idea—money and the power it brings. Yes, and all this character building and moralizing are carried along on a stream of gentle romance, which alone would make the book. Aside from the romance it is in depicting the course and career of Rawn, speculative adventurer and potential world-magnate, that Novelist Hough makes strongest claims to inventive powers, realistic sincerity and sympathetic quality.

The hero is eaten up by a passion for accumulating—as others in real life have been and will be while humanity endures. Consistent disclosure of the sudden development and gradual obsession of this passion is made through the pages of the long and involved narrative.

Like our real captains of industry, Rawn puts aside the wife of his youth and installs a reigning beauty at the head of his house, and tries to buy an inventor and his product by giving him his only daughter to wife. The plot is so involved, necessarily, that there should be innumerable morals pointed out. Those who persevere will remain in no doubt concerning the author's economic and sociological opinions and propaganda.

Mr. Hough's book is calculated to—and doubtless will—strengthen a growing popular sentiment during a forthcoming season of peculiarly feverish campaigning for and against the Rawns. Dominating, successful men will not approve of the book. It was aimed at the populace.

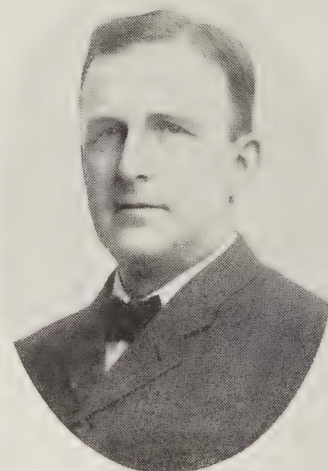
FROM THE CAR BEHIND

There has come from the press of the J. B. Lippincott Company of Philadelphia a remarkably realistic romance entitled "From the Car Behind," by Eleanor M. Ingram. Miss Ingram is known widely as the author of the "Flying Mercury" and the "Game of the Candle." The present story is based upon the general interest of young folks in automobile touring and automobile racing. A party of young folks are thrown strangely together, owing to a mishap on the road, and the plot has much to do with the clearing of the hero of all blame in the matter. The climax comes when the youthful son of a distinguished New York millionaire drives a car to victory in the famous Long Island road races. It was a contest engineered against the father's wishes by a very clever man who saw that something was necessary to turn an undecided, wavering young man into a courageous, self-reliant young man. At the same time he who befriended the young man was becoming more and more deeply interested in the hero's sister and the story in the end is one that will delight womanhood and all who love a good old-fashioned romance where everything comes out right and the principals live happily ever afterward.

BANK NOTES NOT PROPER RESERVE

The position recently taken by State Superintendent of Banks W. R. Williams of California in refusing to consider as part of the reserve fund of state banks the notes of national banks is vindicated by the opinion recently announced by City Attorney Long that bank notes are not "lawful money of the United States." The stand taken by Mr. Williams was criticised on the ground that it would work a needless hardship on the banks involved, but he points out that, in the strict interpretation of the state banking laws, no choice is left to him. By the terms of the

For State Treasurer



ANDREW RUSSEL
JACKSONVILLE

To the Republicans of Illinois:

I am seeking the nomination for State Treasurer. I held this position from 1909 to 1911 and my record is open to inspection. I conducted the office on business principles by giving it my personal attention, and carried out the true intent of civil service by retaining the former employees, who had all proven themselves efficient and trustworthy.

The net profits to the state in the treasury department during my ministrations were nearly two million dollars, and I am sure, with the experience I have had in the work, that I can greatly increase the amount if the people of Illinois see fit to again entrust me with this most important office.

I hope that you will look with favor upon my candidacy, and vote for me at the primary on April 9th, 1912.

ANDREW RUSSEL

MR. RUSSEL'S SECOND HALF

Andrew Russel has served one-half the time formerly allotted to a popular state treasurer in Illinois and is modestly asking the people's permission to serve the other half. If there is any strong reason why his desire should not be granted it has not been suggested.

Mr. Russel has not made an active campaign for the nomination, but he is well enough known to win endorsement again if the old rule holds good with the voters. His name led the list when the returns of the primary campaign were published in 1908, polling a larger vote than any other Republican candidate. In the general election, he finished near the top.

State treasurers are limited by law to a term of two years, and are not eligible for re-election. It is an old custom to give a satisfactory treasurer a second term. This can only be done under the present law by skipping one, and this policy would make Mr. Russel's "second-half" due him at this time.

Mr. Russel is an old-time Republican, and well known as a courteous gentleman. When he held the office he gave close personal attention to it instead of leaving the state's millions of money to the care of subordinates, as some treasurers have done in past years. If elected he can be depended upon to be state treasurer in person as well as in name.

Conceding that his opponents for the nomination may present equally attractive capabilities as candidates, Mr. Russel appears to have claims to special consideration in asking that he may be permitted to serve the other two years.—State Journal, Tuesday, March 12, 1912.

law only real money may be counted in the reserve fund of state banks. The status of the fund, therefore, depends on the exact definition of "real money," and, in the opinion of Williams and City Attorney Long, national bank notes cannot qualify in this class.

ROOSEVELT NOT IN IT

Frank D. Brundage, out on the coast, the past two months, says that out there "Roosevelt will not have even a look in. All for Taft." The bankers at Portland gave him a fine dinner, Thursday night of last week.

Charles A. Pearson, the oldest paying teller in Philadelphia, died after a service of forty-eight years with the Central National Bank.

A charter has been issued to the First National Bank of Van Nuys, Cal., capital \$50,000.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

OHIO has 800 members in the state bankers association, who already have paid their dues for 1912. The convention will be held this year at the Hotel Breakers at Cedar Point, on July 2d and 3d. By the time the convention meets Secretary Rankin expects to have 1,100 members in the association, and predicts that this year's convention will break all records.

F. E. ROMER, an Ohio bank examiner, has left the staff of Superintendent Baxter to go into the banking business for himself. C. F. Mathes has been appointed to take his place, and was put in charge of the liquidation of the Metropolitan Bank and Trust Company of Cincinnati.

MYRON T. HERRICK, who has gone to be an ambassador at the French capital, has been succeeded (temporarily) at the head of the Society for Savings in Cleveland by the Rev. J. D. Williamson, a Presbyterian minister. The Rev. Mr. Williamson for some time has not officiated as a pastor, but has been acting as trustee for the estate of his brother, the late S. E. Williamson.

OHIO has had a banking department for four years only. In that time it has granted authority to begin business to eighty-nine new banks, and there have been forty-four voluntary liquidations and consolidations. Twelve banks have been closed by the department, five of which were restored to solvency and continued in business. The state now has five hundred banks under supervision.

M. L. RIDDLE, managing editor of the "Texas Bankers Record," is both kind and liberal enough to write: "We do not think here that we could do business without THE CHICAGO BANKER." The "Record" is the official organ of the Texas Bankers Association, and J. W. Hoopes, chairman of the secretaries section of the A. B. A., is its general manager.

PRESIDENT TAFT is getting credit for a new bill, which shifts the expense of gold shipments from the banks to the government. This is not any more than just, and the banks "waited at the gate" for a long time for it.

RECENTLY a speaker at a bankers club meeting, in referring to one of the noisy candidates for the republican presidential nomination, made use in part of an old English poem which reads:

"I hear a lion in the lobby roar.

Say, Mr. Speaker, shall I shut the door,

Or shall I open it and let him in,

Then see if we can get him out again?"

CAN you name the "lion"?

"PLEASE enter me on the roll of the immortals and commence sending me your stuff as issued in regular installments beginning with the first issue in April. After entering my name kindly send me a bill to cover, and I will remit you something, which you can probably par at your regular banking connection."

ABOVE is the clever way in which J. R. Downing of the Georgetown (Ky.) National enters his personal subscription for THE CHICAGO BANKER. Yes, he's going to Briarcliff to help uplift the A. B. A.

THE bath tub in the new Federal court house at Kansas City is just for bathing and not for any new development of the John S. Miller "immunity" dips.

RICHARD TASKER FORBES, JR., arrived at the First National, St. Joseph, Mo. (or thereabouts) on March 30th. Bet you

a-ball-a-hole that Richard, Senior, is the tickledest man in Buchanan county. Now, will you "quit kickin' his dog aroun'?"

C. H. McNIDER of Mason City, Ia., "The watch dog of the constitution," has made a reservation on the Briarcliff special. Mr. McNider and his family spent the winter in California, and reports have it that he has returned very much benefited by the trip.

NATIONAL BANK of Merrill, Wis., through its progressive cashier, E. A. Krembs, has opened negotiations with McLaughlin & Co. of Jacksonville for a supply of their farm account books. Mr. Krembs says that the book prepared and copyrighted by Mr. McLaughlin has the most unique arrangement of any he ever has seen and believes that it will answer the purpose of his bank to the fullest extent.

BANKERS who are in search of an inexpensive novelty which confers a real benefit cannot do a better thing than to distribute among their former customers a few copies of the "Farmers Record and Account Book," issued by McLaughlin & Co. of Jacksonville. Ex-President E. E. Crabtree has used it in his bank and pronounces it to be without a rival.

IT ought not to be necessary to warn bankers frequently not to O. K. proofs or sign contracts with alleged financial papers not entered in the second-class mail department of the Chicago post office.

ON Tuesday this publication was asked to come to the rescue of an indiscreet gentleman who ought to have known better, but who is tangled up with an alleged financial paper called the "Financial—." This paper is not known at the post office, and is a write-up sheet of the worst variety.

IT has had easy picking among the private bankers of Cook county, who have been made to believe that it has espoused their end of the state supervision question. It has not done anything of the kind except for the temporary revenue which it obtains. The paper has no mailing or distributing list except to those who buy a certain number of copies with each write-up.

ONE recent form of swindle is for a young man to call on prominent men about the city for interviews, representing that he comes from Swift & Co., Armour & Co. or some other big concern allied with the packing in-

terests. He prepares the information furnished him under this pretense and then either tries to sell it to the persons interested or to get a price for it by running it in some such publication as the one above referred to. The reason the packers were mentioned in this particular case is that there was a great deal of activity along these lines by such persons and papers at the time their trial by the government was going on in Chicago. Bankers of Chicago have been trained to know these papers, yet occasionally they fall into the trap, owing to the fact that the publications referred to make a practice of carrying the advertisements of certain influential institutions as baits for the unwary.

OUR usual reply when an inquiry is made at this office about the character and standing of a paper "not found either in the city directory or the telephone directory" is by directing the inquirer to ask the second-class mail department at the postoffice whether or not the publication named is on the mailing list. If it is not, there is no use in going any further with the matter; it is a fake.

C. F. SPEARIN, "one of the best," has resigned from the staff at the Corn Exchange to become secretary of the Gary Bond and Mortgage Company at 101 West Fifth Avenue, Gary, Indiana. Frank is one of the best known junior bankers and chapter men in America. Here's wishing him good luck.

MR. SPEARIN also has been admitted to partnership in Rundell & Cavell. Mr. Spearin is thus launched into the real estate and building business. The firm subdivides acreages, conducts a general real estate business, renting and fire insurance.

TWO of the latest on the Briarcliff Special are Wm. H. High, San Francisco, and H. S. Fletcher, Watsonville, Cal. C. H. McNider (recently of California), Mason City, Ia., is on the list of "the elect" also. CASHIER.

FRANKLIN TRUST AND SAVINGS

Franklin Trust and Savings Bank will open for business in its new building at Michigan Avenue and Thirty-fifth Street, on April 8th. Simon W. Straus has been elected president; Samuel J. T. Straus, vice-president, and Edgar F. Olson, cashier.

OUT-OF-TOWN VISITORS

Among Chicago's out-of-town visitors the past week are the following well-known bankers: Edward D. Keys, president of the Farmers National, Springfield; Leslie M. Springer, cashier, Kokomo (Ind.) Trust Company. This institution carries deposits around \$700,000, and is the leading state bank and trust company of that thriving city; R. H. Driscoll, cashier First National Bank, Lead, S. D.; W. L. Lateer, cashier of the Paxton State Bank. Mr. Lateer's institution has but lately incorporated as a state bank, and reports a satisfactory line of deposits; F. M. Condit, assistant cashier First National, Beardstown, Ill.; William A. Lamson of New York City. Mr. Lamson is a commercial paper broker and formerly was a resident of Chicago, and a national bank examiner. He expects to return in October to attend the convention of the Illinois Bankers Association; C. F. Kuehnle, vice-president and assistant cashier, Bank of Denison (Ia.); Clifford Ireland, Peoria, head of the trust department of the State Trust and Savings Bank of that city; Mr. Ireland is a member of the Peoria bar; George W. Boyden, vice-president of the Farmers State Bank, Sheffield, Ill.; T. J. Means, Jr., cashier Farmers Bank, Dearborn, Mo.; L. L. Emmerson, president of the Third National Bank, Mount Vernon, Ill., and a candidate for the republican nomination for state treasurer.

APRIL INVESTMENT

St. Louis Southwestern Railway System Stephenville North & South Texas Railway Co.

First Mortgage 5% Thirty-Year Gold Bonds

Guaranteed principal and interest by endorsement by the St. Louis Southwestern Railway Company

Dated July 1, 1910 Due July 1, 1940
Interest payable Jan. 1 and July 1 in New York and St. Louis
Authorized \$10,000,000 Outstanding \$2,423,000

In coupon form of \$1,000 each, with privilege of registration as to principal
Subject to redemption on any interest date on ninety days' notice at 105

Commonwealth Trust Company, St. Louis, Trustee

Authorized by the Railroad Commission of the State of Texas as being less in amount than actual cost of construction of the property

Legality of the issue has been approved by our Counsel
Messrs. Stetson, Jennings & Russell

Application will be made to list these bonds on the
New York Stock Exchange

Price, 97½ and Interest
Yield, 5.15%

For full description of the property and report of Mr. F. N. Finney, former President of the Missouri, Kansas & Texas Railway, who, at our request, examined the St. Louis Southwestern Railway, and the Stephenville North & South Texas Railway, reference is made to our special circular, which will be sent to you promptly on request.

D. Arthur Bowman & Co.

Third National Bank Building

ST. LOUIS, MO.

ALL BRANCHES OF BANKING



1857

1912

ORSON SMITH . . . President	P. C. PETERSON . . . Assistant Cashier
EDMUND D. HULBERT, . . . Vice-President	C. E. ESTES . . . Assistant Cashier
FRANK G. NELSON . . . Vice-President	LEON L. LOEHR . . . Sec'y and Trust Officer
JOHN E. BLUNT, Jr. . . Vice-President	F. W. THOMPSON, Mgr. Farm Loan Dep't
J. G. ORCHARD . . . Cashier	H. G. P. DEANS . . . Mgr. Foreign Dep't

CAPITAL AND SURPLUS - \$9,000,000



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

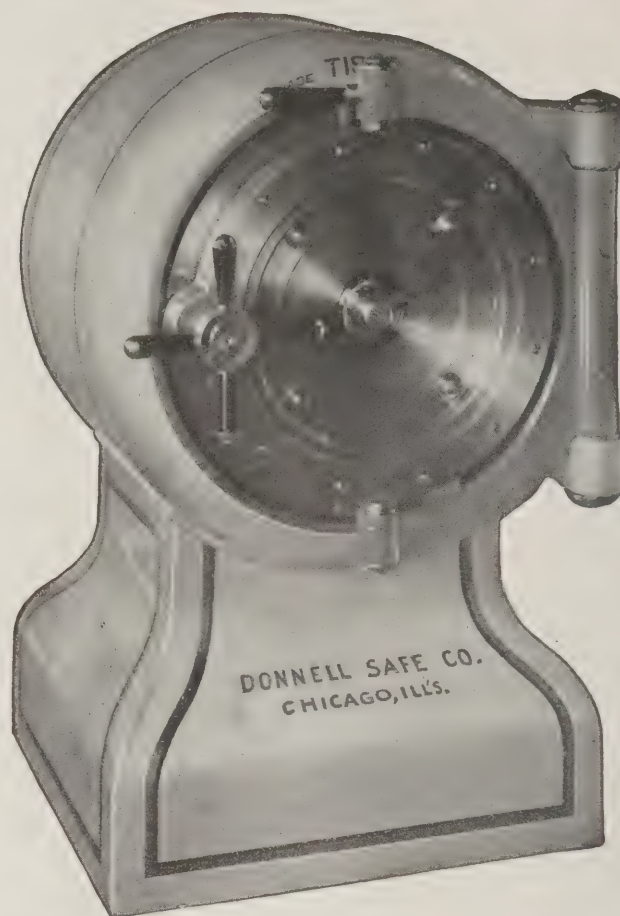
THE NATIONAL CITY BANK
OF CHICAGO

Capital	\$ 2,000,000.00
Surplus and Undivided Profits	587,563.63
Deposits	30,713,013.20

OFFICERS

ALFRED L. BAKER . . . Vice-President	DAVID R. FORGAN, President	HENRY MEYER . . . Assistant Cashier
H. E. OTTE . . . Vice-President	A. W. MORTON . . . Assistant Cashier	WM. N. JARNAGIN . . . Assistant Cashier
F. A. CRANDALL . . . Vice-President	WALKER G. McLAURY . . . Assistant Cashier	R. U. LANSING . . . Manager Bond Dept.
L. H. GRIMME . . . Cashier	W. T. PERKINS . . . Assistant Cashier	M. K. BAKER . . . Asst. Manager Bond Dept.

Donnell Safe Co.



General Western Agents for the York Safe & Lock Co., who have the best-equipped safe factory in America. Their Manganese safes are superior to any in the market. We sell these safes subject to a test against any Manganese safe made and will guarantee all our work equal, if not superior, to any made. We can refer you to any banker in Chicago. We carry the largest stock of bank safes in Chicago. Burglar vault doors, vault linings, burglar safes that have been used always on hand. A large lot of second-hand deposit boxes that are modern and good as new.

227-229 Washington St., Chicago, Illinois

Fourth Street National Bank
OF PHILADELPHIA

Capital	\$3,000,000.00
Surplus and Profits	6,500,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board	
E. F. SHANBACKER, President	FRANK G. ROGERS, Vice-President
JAMES HAY, Vice-President	R. J. CLARK, Cashier
B. M. FAIRES, Vice-President	W. A. BULKLEY, Assistant Cashier
W. K. HARDT, Assistant Cashier	

The Girard National Bank
OF PHILADELPHIA

Capital	\$2,000,000.00
Surplus and Profits	4,585,000.00
Deposits	40,000,000.00

FRANCIS B. REEVES, President

RICHARD L. AUSTIN . . . Vice-President	JOSEPH WAYNE, Jr. . . Cashier
THEO. E. WIEDERSHEIM . . . Second Vice-President	CHARLES M. ASHTON . . . Asst. Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

APRIL 13, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

Texas Bank Examiners in Annual Session



First Row: J. O. Jackson, L. J. Davis, Reuben R. R. Cook, John Wightman, Lonie Cohn, L. P. Kean.
Middle Row: Paul G. Villaret, J. H. Cheatham, L. V. Myrick, C. S. Holderness, Miss Ida Aday of the Department, George D. Campbell, W. L. McFall, G. A. Giddings.
Bottom Row: L. R. Buchanan, E. F. Gossett, Robert E. Chambers, Chief Clerk of Banking; B. L. Gill, Commissioner; C. V. Johnson, Chief Clerk; C. W. Foster, John K. Woods.

The Texas bank examiners hold regular annual conventions, at which times Commissioner B. F. Gill outlines his policies. At the last one the above group picture was taken for The Texas Bankers Record. "Over-drafts and how to prevent them" was the chief subject. Commissioner Gill was presented with a gold-headed umbrella, so he could "come in out of the rain of over-drafts." Texas has fifteen districts and a banking system of the A-1 class.

GOOD ROADS CONFERENCE

Rockford Chamber of Commerce has called a meeting of the representatives of the Elgin, Marengo, Belvidere and Rockford organizations, to be held at Rockford on April 16th at 10 A. M. This conference is for the purpose of taking up the matter of improving the stretch of road between Rockford and Elgin. By giving this matter immediate attention, it is hoped to make this a part of one of the great trans-state highways. William G. Edens of Chicago, president of the Illinois Highway Improvement Association, has been invited to make a talk before the conference. Mr. Edens will be accompanied by R. J. Finnegan, secretary of the association. S. E. Bradt, vice-president of the First National Bank of De Kalb, and who is chairman of the good roads committee of the Illinois Bankers Association, also will address the meeting. Members of the Rockford Chamber of Commerce have gotten by the resolution stage and, now really want to improve the roads. The good roads fever seems to be catching. Plans are on foot for big meetings at Bloomington, Cairo, Galesburg, and other places, at which the subject will receive consideration. It also is

expected that it will receive a place on the programs of all group meetings of the bankers association to be held in the state this year.

Geo. M. Reynolds

President George M. Reynolds of the Continental and Commercial National, returned on Friday from a two months' vacation in California, feeling fine and looking "the best ever." He is going on the Briarcliff Special, May 4th, "right in the middle of the car," as usual.

OUT-OF-TOWN VISITORS

E. A. Strause, president of the State Trust and Savings Bank of Peoria, visited Chicago Monday. Mr. Strause says that the State Trust now is settled comfortably in its new quarters located at the corner of Jefferson and Liberty streets opposite the new Jefferson Hotel. He says that the deposits of his bank now are in excess of \$700,000, and that a steady increase is expected. E. F. Goodell, vice-president of the Stewart State Bank, St. Charles, Ill., called on his Chicago banking acquaint-

ances last Saturday to let them know that the high water had not washed St. Charles off the map, and that the passage of the ice on the waters had subsided, and that everything is now approaching normal again.

M. Weil, president of the National Bank of Commerce, Lincoln, Neb., visited Chicago Monday and reports favorable crop prospects for the Nebraska section. George Lyon of the First National Bank of Nelson, Neb., and George E. Keys, assistant cashier of the Farmers National, Springfield, were also Chicago visitors.

GOES TO ATTEND K. P. AUDIT

William G. Edens, assistant secretary of the Central Trust Company of Illinois, left for Minneapolis on Thursday of this week to attend the quarterly audit of the finances of the supreme lodge of the Knights of Pythias, Mr. Edens being a member of the finance committee of that order. The next annual convention of the order will be held at Denver on August 6th.

The Wheeler (Wis.) State Bank will erect a new building.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

OFFICERS

GEORGE M. REYNOLDS
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JOHN JAY ABBOTT
Vice-President

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Vice-President

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Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
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The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

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We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
Circulars on application

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CHICAGO

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CINCINNATI AND CHICAGO

Municipal **BONDS** Netting 3.80 to 5.50%

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Short or Long Maturities

INQUIRE FOR LIST OF OUR HOLDINGS

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CHICAGO

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital - \$2,000,000

Surplus - 500,000

Deposits - 26,200,000

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARWELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
THOMAS E. NEWCOMER, Asst. Cashier
HARRY LAWTON, Manager Foreign Department

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....	\$ 9,887,954.84
February 5, 1909.....	11,617,691.24
March 29, 1910.....	15,041,357.21
March 7, 1911.....	21,574,956.79
June 7, 1911.....	23,137,746.88
September 1, 1911.....	24,500,075.82
December 5, 1911.....	25,445,199.89
February 20, 1912.....	26,207,446.32

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Drovers Deposit National Bank

OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-eight years rendered Efficient and Quick Service to its Correspondents

Resources, Nine Million Dollars

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EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER
GEO. M. BENEDICT
WM. C. CUMMINGS



Mainly About Banks and Bankers

"SHALL Illinois Supervise all Banks?" was the topic announced by the ways and means committee of the Chicago Association of Commerce for the noon-day meeting which was held at the LaSalle Hotel on Wednesday, April 10th. The principal speakers were President B. F. Harris of the Illinois Bankers Association and Vice-President W. T. Abbott of the Central Trust Company.

THERE was a very large attendance to hear these gentlemen and those present showed a deep interest in the subject under discussion. Chicago recently has had a number of most exasperating total private bank failures which have drawn public attention to the subject in a way which ought to be productive of a reform movement.

MR. HARRIS as president of the association has had replies from more than one thousand bankers in the state of Illinois, and including all of the privates who cared to vote against it, the vote in favor of supervision over all forms of banking in Illinois stands to-day 75 per cent in favor. In the first 850 votes recorded it was 81 per cent in favor. The second letter, however, brought out 150 more replies practically all from private bankers, which reduced the percentage to 75 in favor.

WHAT will astonish the opponents of bank supervision is that 42 per cent of all private banks voting voted in favor of it. The talk in the past has been that all of the private bankers were opposed to it and that they were supported in this by a majority of the incorporated institutions. The vote taken by Mr. Harris was taken in writing and must stand as the actual record of conditions in the state. Three-quarters of all the bankers are in favor of supervision and almost half the private bankers favor it also.

WITHIN a few days a special committee will be announced which will prepare a draft of an act to be submitted to the next legislature putting all banking in Illinois under supervision. One of the problems to be solved by this committee will be the large number of one-bank towns in the state. A careful survey of the statistics shows 524 small towns each having but one bank. In villages under 250 population there are seventy private banks and nineteen state and national banks; in villages over 250 and under 500 there are 155 privates and seventy-five supervised banks; in towns over 500 but under 1,000 there are sixty-eight state and national institutions as against sixty-six private banks; in towns over 1,000 and under 2,000 there are twenty-five supervised banks and twenty privates; in towns above 2,000 there are twenty-one supervised and five privates. All figures refer to one-bank towns.

THE question with the committee will be the fixing of an appropriate capital stock for these small banking towns where one bank has been maintained. The figures show con-

clusively that no town is too small to have a supervised bank if it wants it.

FIRST NATIONAL BANK of Charleston, Ill., has sent out a farm letter enclosing one of the soil robbery pamphlets purchased from the Illinois Bankers Association and a seed corn test sheet. Many banks throughout the state would be conferring a benefit on their clients by following this example.

ROCKFORD NATIONAL is preparing to start a corn club contest which shows that a progressive bank believes also in progressive farming.

RAND, McNALLY & CO. is sending out a supplement to the May, 1911, "First Edition Key to the Numerical System of the American Bankers Association." If you have one of the early editions write in and get the supplement.

OHIO BANKERS ASSOCIATION is offering a reward of \$500 (or will pro rate the same) for the recovery and return of seventeen bonds and forty-six shares of stock stolen from the Bank of Berea. Most of the securities are Ohio securities and a list may be obtained from Secretary S. B. Rankin at Columbus.

PEOPLES TRUST AND SAVINGS at Clinton, Ia., makes a very fine showing in its statement of April 3d. In the first place the surplus has been earned and is equal to the capital stock. The deposits are \$3,665,508.87, including almost \$600,000 from "other banks." This shows a gain in totals for the year of \$287,098.65.

CENTRAL TRUST COMPANY bond department is making a special offer of Illinois Steel Company bonds at a price which will yield 5 per cent. It is a strong issue and will be listed on the New York exchange shortly. All of these bonds are guaranteed by the U. S. Steel Company.

CASHIER J. E. JOHNTZ of the Citizens Bank at Abilene, Kan., announces in large type on his statement "We have no loans to officers, directors or stockholders." This is carrying the Murray doctrine to a complete finish.

MINNESOTA will hold its convention this year at the Minnesota agricultural college in St. Anthony Park which is midway between St. Paul and Minneapolis. A better and more accessible location could not be found. Guests can be accommodated at the college or in the hotels of either of the large cities.

THE program will be, as has been the custom recently up there, largely agricultural. The speakers already announced are Secretary Wilson of the department of agriculture; President A. K. Soule of the agricultural college of Georgia; Dean A. F. Woods of the Minnesota agricultural college and Dean H. L. Russell of the agricultural college of Wisconsin. David R. Forgan will be the only

non-collegian on the program. From the present outlook it would appear that the convention will be one of the most interesting and profitable ever held by this most progressive state association. None of these formal addresses will be permitted to go beyond thirty minutes, and all visitors will be given an opportunity to inspect the buildings and grounds of the college and farm.

This great college will give a demonstration of steer feeding and actual proof that prime beef can be produced at one-half of its present cost. Exhibits in farm management and farm planning and co-operative demonstration will be given.

ALL of the guests and officers, including the ladies, may have sleeping and dining-room accommodations at the college if they prefer it to going back to the city at night. There are several large dormitories and a dining-room large enough to seat the entire convention at one time. Arrangements have been made to serve the four meals required for a flat charge of \$3 each, which will include the use of a room.

DAVID S. DAVIS, formerly with the Prairie Trust and Savings, has been appointed an assistant cashier of the new Franklin Trust and Savings Bank at 35th Street and Michigan Avenue.

ONLY a few crumpled postage stamps and sixty-five cents in money were found in the vaults of the "Banca Agricola Commerciale Italiana" by the Central Trust Company which was appointed receiver for the wrecked private bank. The total of the assets will not be beyond \$300 and the loss to the depositors is estimated at \$20,000. Another monument to the non-supervised banks of the state.

MARSHALLTOWN (IA) STATE BANK in its March 31st statement shows deposits of a million and a quarter. President A. F. Balch finds room on his folder to recommend American Bankers Association travelers' checks for those who are about to go abroad and suggests that valuable papers be put away in a safety deposit box before starting. Mr. Balch also recommends that idle funds be invested in Iowa farm mortgages, which is not bad advice.

DUNCAN G. BELLOWS, a former debater and active member of the Chicago Chapter, A. I. B., is cashier of the First State Bank of Zion City. He shows deposits in his last statement of \$143,129.90.

COMMONWEALTH TRUST COMPANY of St. Louis has sent out a letter to other banks reciting in detail how it was swindled by a savings bank depositor recently. An account was opened with one of the tellers for cash. Subsequently forged checks were deposited, and at a convenient opportunity when another teller was on duty the deposit was withdrawn. This swindle is not as new as the Commonwealth thinks it is. It has

(Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank

EDWIN L. WAGNER, President
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CHICAGO

RALPH N. BALLOU, Cashier
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REMITTS

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

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R. M. McKINNEY, Cashier	O. H. SWAN, Asst. Cashier
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THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-eight years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

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FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

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OF CHICAGO, ILLINOIS

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B. C. SAMMONS, Vice-President

FRANK W. SMITH, Cashier
JOHN C. NEELY, Secretary
J. E. MAASS, Assistant Cashier
JAMES G. WAKEFIELD, Assistant Cashier
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UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

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THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

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FOR THOSE WHO HAVE BUSINESS
AT THE STOCK YARDS**

**A BANK THAT GUARANTEES GOOD SERVICE
ON GENERAL CHICAGO BUSINESS**

**THE LIVE STOCK Exchange National BANK
OF CHICAGO**

THE CHICAGO BANKER

Founded in 1898

VOLUME XXXII

CHICAGO, APRIL 13, 1912

NUMBER 15

Shall Illinois Supervise All Banks Not National

The great Chicago Association of Commerce has shown its liberality and its interest in certain state reforms by asking President B. F. Harris of the Illinois Bankers Association to come before it in a talk on "The Banker and his Relation to the Public Welfare," for the second time this year. Since his last appearance President Harris and the state association have progressed wonderfully right into the very center of things. The present policies and ambitions of the bankers organization in the state cover a great many matters which are vital to human interest and public welfare. The address occurred at the LaSalle Hotel on Wednesday, April 10th, the occasion being a general meeting of the potential ways and means committee of the big Chicago organization. The attendance filled the largest dining room of the LaSalle to its full capacity. President Harris opened his talk with a few well-rounded periods which placed him and his audience on a reciprocal footing. Those present seemed as willing and anxious to hear as the speaker was to talk. What Mr. Harris had to say will be served up to our readers in a transposed position. In other words the things which he said last to the members of the Chicago Association of Commerce will be reproduced here at the beginning, owing to the deep interest which our particular readers take in the very live present issue of compulsory bank supervision for Illinois and a state-wide regulation of investment companies and selling concerns with their "blue sky" securities.

Compulsory Bank Supervision

And now to a subject that more directly concerns bankers, but particularly concerns the public, the matter of bank supervision. The business of banking not merely is the business of the banker for it is the business of the public, though there are some Illinois bankers who disagree with me honestly on that.

The right of the banker to do such business comes, or should come, either from the federal government or from the state. In return for this right, to do this public business, the government or the state, has the right and should require a faithful administration of that privilege. All but four of the states make some requirements of those who go into the banking business or use the term "bank" or "banker." Illinois is one of the four that does not, and the other three are South Carolina, Virginia and Vermont. The lack of some requirement in this state, on this point, already has done harm and stands as a constant menace. We are behind in legislation in this line as we are in our education and road laws, and agriculture.

Chicago Association of Commerce asks this question in its invitation circular to a membership luncheon at the LaSalle Hotel on Wednesday and calls upon President B. F. Harris of the Illinois Bankers Association to answer it

Others Must Pass Muster

Building and loan associations, insurance companies, warehouses, railroads, architects, doctors, dentists, osteopaths, barbers, horse doctors, etc., must pass muster in Illinois, but any concern can hang out a banker's sign, perchance disgrace our business, defraud our citizens and, possibly, destroy financial credit and shake confidence in our community and in the really sound banks, for the time being.

Of course there are many honest and reliable private banks, especially in the country, that have served a good purpose in our earlier development but they as well as all of us must adapt ourselves to the public interest and to changed conditions. There will be not so much of hurt as of healing in a change which will bring mutual profit and protection, for what is best for the public is best for the banker.

Bankers for Supervision—Failure Figures

As a matter of fact 85 per cent of our membership and practically half the private bankers now favor compulsory bank supervision. Some raise the question that supervision does not reduce failures and losses but the figures easily disprove this. I have gathered the following data on bank failures within the last few weeks: In the state of Illinois there are twice as many organized banks (state and national) as private banks and yet in the last nineteen years there have been 83 private bank failures to 16 supervised state and national bank failures.

The loss to depositors in private banks over this period was \$2,900,000 on a total deposit balance of sixty millions while the supervised bank loss was \$2,266,000 on one billion three hundred and seventy-five millions of deposits. Expressed in other terms, if the private bank loss ratio had applied to deposits of the same magnitude as those of the supervised banks the loss in private banks would be equal to \$2.53 on each thousand dollars average yearly balance while the supervised bank loss would have been eight and two-thirds cents, or only one-thirtieth as much.

For the entire United States in the last nineteen years the private bank loss on probably less than \$250,000,000 deposits was three and one-half times more than the loss

of supervised banks whose deposits are in excess of fifteen billions. Thus the private bank loss ratio was two hundred and ten times the greater.

The private bank losses averaged 40 per cent on all failures while the supervised bank loss averaged about 5 per cent on sixty times more deposits. It also must be remembered that only a very few states permit private banking, else the loss would have been heavier, and all their losses are accurately recorded, as in supervised cases. There have been no losses to depositors in Illinois in state banks in the last six, nor in national banks in the last seven years. A committee will be appointed, within a few days, to prepare a bank supervision bill for this state, which we hope our association will endorse and our legislature enact.

Supervision of "Blue Sky" Security Selling Concerns

Without question the greatest direct money loss to our individual citizen, and so a loss to the legitimate interests of the state, is the loss through investment in "get-rich-quick," and "blue sky" securities, falsely represented as investments.

This matter has been referred to our council, and we ask the aid of your association in suggesting that the people of Illinois consider the matter of enacting a law, modeled more or less after the famous so called "Blue Sky" bill of Kansas. These, and the loan sharks, and several types of private bankers all are of the same breed, and Illinois should tolerate them no longer.

It is conservatively estimated that our citizens lose from fifteen to twenty-five millions of dollars annually, and the whole country upwards of three hundred millions a year by the sale of fake securities, usually crooked from their inception.

In addition to financially impoverishing many, it prevents their interest and investment in valuable and community building enterprises, and so the spirit of thrift and sane investment is dulled. The loss through all classes of irresponsible banks is trivial, as compared with that through these ravenous security selling companies.

Here again is a golden opportunity to conserve the wealth and the investment tendencies of our people, turning this vast waste into channels that will build up the state and at the same time earn reasonable dividends for our people. This will help teach the desirability and necessity for habits of thrift and saving and sane business and lessen the chance for gambling and speculation, under guise of investment. In Chicago alone, there are said to be 418 land companies, with over 10,000 salesmen, with various land schemes,

YOUR
BUSINESS
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Milwaukee National Bank
of Wisconsin

Capital, \$450,000
Surplus and Profits
\$100,000

The Fourth National Bank of the City of New York

IN every business relation, through prompt, reliable service and its thoroughly systematized equipment, The Fourth National Bank of the City of New York assures its customers exceptional facilities and convenience in the handling of their accounts.

It invites the correspondence of banks, corporations, firms and individuals throughout the country.

CAPITAL AND SURPLUS, \$10,000,000.00

and there are thousands of others even less desirable.

And Now to Sum Up

It is needless to tell you that we have entered upon an ambitious policy, no less pretentious than its accomplishment would be of immeasurable benefit. We are after concrete results and are making unusual progress, because we are right, and because public opinion, to a wonderful extent, is behind these movements. Perhaps our greatest accomplishment lies in the fact that the association itself, is being awakened to its responsibilities and its wonderful opportunities for usefulness in the field of public welfare. Some of the thoughts and changes suggested may not interest you, but whether or not, they in no case are desirable unless they are constructive.

Policy of the State Association

In defining the policy of the present administration of the Illinois Bankers Association, earlier in his address, Mr. Harris said:

We bankers, members of the Illinois Bankers Association, are seeing and urging on a similar unfolding of our great association that is represented in every village, town and city of this great state. It is the policy and ambition of the present administration to connect up and affiliate our association with matters of vital human interest and public welfare in the state upon the satisfactory solution of which so much of our future prosperity and proper civic and economic development depends. In the matter of agriculture and the problems of rural life, three propositions, it seems to us especially are essential to its success and therefore to our prosperity; better agriculture, better education, better roads. If we are to make prompt headway in better agricultural methods, maintaining and restoring soil fertility and increasing crop yields in this generation, we largely must do it with our present farmers. The best and only real practical way to reach and impress the great mass of farmers is by the field demonstration plan; the sending of qualified demonstrators right to the farmer on his farm, to work out with him and show him right there on the average farm, how to get better results.

Declining Soil Fertility

When we contemplate that, despite the tremendous influences of many agencies working on the "two blades of grass" problem, the average yield of our two greatest cereals, corn and wheat, is actually less than it was forty years ago, it is evident that something is wrong. Time will not permit us to discuss many of the reasons for this situation. Conditions have bred a type of ruralist who is somewhat slow to undertake new methods.

Touches upon Educational Improvements

Be it said to our shame that in Illinois there are 10,633 one room or ungraded country schools attended by boys and girls, and there 85 per cent of them get all the education they ever get. Two thousand two hun-

dred of these schools have less than 15 pupils each, 650 have less than 10, and 100 less than 5, with teachers frequently not what they ought to be. The school course rarely is adapted to the needs of rural life, and makes little or no attempt to train its pupils for life and it's work. If it attempts anything it is scholarship rather than efficiency, training for examinations and routine rather than for power. The Country Life Commission reported that "the schools largely are held to be responsible for ineffective farming, lack of ideals and the drift to town."

Good Roads Get a Boost

And now the third great help to agriculture, and therefore to commerce and the whole nation, is the matter of good roads. Good roads, good in all seasons, only are second in importance to railroads and even more are necessary in the social life and local intercommunication in rural communities. The farmers and we complain about freight rates and railroad transportation, when the worst roads and the highest freight rates, and the poorest opportunities and the highest indirect taxes, are on the average Illinois dirt road, past our own doors.

Our association has a strong good roads committee with a practical banker-farmer-road commissioner, S. E. Bradt, of DeKalb, as chairman, and it has just loaned our mutual member, W. G. Edens, to the presidency of the Illinois State Highway Association.

We gathered the first accurate sentiment and opinion ever collected in this state, when we asked our 1600 bankers to answer twenty questions on the road situation. Their answers (soon to be published) show that a large percentage of the money spent on roads in Illinois is wasted through temporary and

illegally planned work and that the bankers believe in new road laws and state aid, and we are going to stay on that job till we get easier roads to travel.

NORTHERN TRUST BUYING PAPER

Among Chicago bankers a recent development that is talked of with interest is the entrance of the Northern Trust into the commercial paper field. Until recently the bank made no loans that were not secured. Buying of commercial paper, of course, gives a bank an outlet for its funds that a strictly collateral market does not always furnish and, if the paper is well selected, does not involve any more risk. The Illinois Trust is now the only one of the larger banks that adheres to the policy of making no loans that are not secured.

PRIVATE BANKERS OBEYING THE LAW

Advices from Pennsylvania are that the private bankers of Philadelphia, and other portions of the state have abandoned their purpose of contesting the Alter Private Banking Act, and are making applications for permission to conduct business in conformity with the act. Up to the present time the state board has issued about thirty-three licenses, and approved a number of exemptions. There are on file awaiting the April meeting of the board fully fifty applications, a majority of which come from Philadelphia and Pittsburgh.

BANK FIFTY YEARS OLD

The Pittsburgh Bank for Savings completed a half century of business life on Thursday, April 11th. In those fifty years it has helped materially in the upbuilding of the city, encouraging the thrift of men, women and children whose habits of prudence have enabled them to develop along enduring lines, and thus to contribute the finest and most essential factor in promoting the progress of Pittsburgh, substantial citizenship. As a pioneer in liberal bank advertising this institution has not only reaped splendid results, but has attracted the attention of a widespread clientele to the financial advantage of its home city.—Pittsburgh Dispatch.

DETECTIVE STORY OF THE SEASON

If you want to forget your trials (including trial balances) just get a copy of Burton E. Stevenson's, "Mystery of the Boule Cabinet." Stevenson wrote "The Holliday Case," and "The Marathon Mystery," both good, but not in it with his latest efforts. The new story is remarkable for its audacity of plot, for the logical, and at the same time, baffling manner in which the clues are unwound, for its astonishing turns and twists, its astounding denouement and, above all, for its wonderful central figure, who is one of the few really great characters in detective fiction. It wouldn't be fair to describe the plot or tell the ending. Truly it is a great story. Published by Dodd, Mead & Co., New York, at \$1.25. By mail, \$1.30 net.

Trust Company Service in New York City

This company, with ample capital, large resources, and an efficient, and well-systematized organization, which dates back to 1864, has the ability and disposition to give good trust-company service.

Our various departments, including banking, foreign exchange, bond, trust, transfer, reorganization and collection, are well equipped with modern facilities for transacting business promptly and economically.

For these reasons we feel justified in cordially inviting the New York accounts of banks and trust companies.

Guaranty Trust Company of New York

Capital and Surplus	\$23,000,000
Deposits	\$178,000,000



125 West Monroe Street
CHICAGO

Central Trust Company OF ILLINOIS

Capital, Surplus and Profits, \$5,000,000
Deposits 35,000,000

Accounts of banks and bankers received upon favorable terms

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W.T. Abbott Before Chicago Association of Commerce

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Let us first then understand the conditions in Illinois as to the so called private bank. The situation under our present banking laws is that any person or firm, but not a corporation, may hang out a sign, either plain or under the glare of an electric light, or paint on their windows the word "Bank" or "Bankers," and in individual and personal capacity transact all general banking business except issuing bills and notes for circulation. They receive deposits of money from people who assume they are dealing with a real bank. Their responsibility for such deposits is never more than the responsibility which attaches when A hands his money to B in the street and asks B to keep it for him until he calls for it. These funds so deposited they may loan in unlimited amounts to any one borrower and with any security which they see fit or none at all, or use the same in their private business. As to neither the receipt of the deposits nor the character or amount of the loans is there any report to or examination by the state banking authorities.

Admits Many Private Banks are Good

That there are honest and well-managed private banks does not admit of controversy. The fault is in the system and not in the majority of men engaged in the business. That these private banks serve a useful purpose in scattered communities of farmers and small villages equally is beyond question. In those localities there is not enough business to support a large incorporated bank. The reason why private banks have enjoyed a measure of success in those communities is

Presents legal phases of bank supervision to the premier business organization which is considering the question of a revised banking law for Illinois

this: The private banker usually is the most wealthy and responsible man in the community. His neighbors all know him and his wealth in land, buildings and live stock is daily before their eyes. He is the man to whom they would turn naturally as the depository of their savings or for advice in their financial affairs. On the other hand, he is familiar with the banking needs of these same neighbors and their ability to repay. Hence, loans to them based on his personal judgment and secured on property, also under the daily observation of all, are in such cases the wisest investments for the funds of his depositors.

But when the community reaches a size where this intimate and mutual acquaintance and knowledge ceases, at that point the usefulness of the private bank stops together with

the excuse or reason for its existence. Beyond that a system which permits the private bank is all wrong notwithstanding an occasional good example. Banking business, except in the smallest communities, should be confined to incorporated companies acting under national or state laws and subject to rigid examination by the banking department of the government. There is no other safeguard for the depositors.

Evil Consequences of a Failure

The possible insolvency or failure of the private bank or the individual doing business as a private banker is not the only or greatest evil, though ordinarily it is this element which arouses public attention. Even if such a bank is well and honestly managed, on the death of the private banker the affairs of the bank must be closed up in the same manner as all his other business affairs, namely, through the probate court of the county in which he lives. There necessarily are involved in it all the delays and vexations which are inevitable in connection with the settlement of any man's estate in that court. The depositors cannot get back their money until the affairs of the estate are settled fully, the estate found to be solvent and sufficient of the securities sold or otherwise realized upon to enable a distribution to be made. If a regularly incorporated bank should, through bad loans or investments, become insolvent, its affairs are administered by officials of the banking department either of the state or national government. In case the other resources of the bank are insufficient to pay the deposits, then the stockholders in such bank must contribute in addition to their stock an assessment equal to the par value thereof. This is known as the double liability of the stockholders. In Chicago, in addition to the rigid examination by the state officials, a supervision is maintained also by the clearing house association over all banks which are members of that association, and the loans and investments of those banks are scrutinized so diligently that to-day there practically is no risk that the depositors in those banks will not receive their money in full, and also, what is quite as important, they

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In case of the insolvency of a private banker the general depositor is without relief and must take whatever dividend may be awarded after the remnant of assets of the bankrupt have been realized upon. It is urged that inasmuch as the criminal statute relating to banks and bankers generally has been held to apply to private bankers as well, affords such relief as to obviate the necessity of further legislation. I refer to the law making it a crime to receive deposits after a banker knows he is insolvent. But this amounts to nothing.

Cites a Very Interesting Case

In a case which came before our Supreme Court some years since, the constitutionality of the law was challenged upon several grounds. The case is interesting because the argument of their counsel covered so many of the objections now made to placing these banks under state supervision. It was urged by the defendants that by this statute the provision of the constitution of the United States providing that "no person shall be deprived of life, liberty or property without due process of law," was violated. In support of this contention it was argued that everyone had the right to engage in the ordinary callings of life; that as an incident thereto he had the right to make contracts in respect to such business; that the business of private banking was a common calling; that one of the incidents of such a business was the receiving of deposits from customers; that the relation between the bank and the depositor was that of debtor and creditor; that to deny to the private banker the right to prosecute his business, and as an incident thereto, to contract in regard to the same on like terms as others engaged in the common callings of life, was to deprive him of both liberty and property, to the extent that he was denied the right to contract without due process of law. The fallacies of the above argument were pointed out by the court in its decision. The business of banking, like that of an innkeeper and common carrier, is one

which is affected with a public interest, and as such is subject to the police power of the state and restriction by legislation. But all the laws in the world making the receipt of such deposits a criminal offense will never bring back the missing money to the defrauded depositors. There are no birds in last year's nests and sending a man to jail never created wealth for his creditors. Further, these depositors have no greater civil rights than those making deposits before insolvency. Any benefit to them from this decision is purely theoretical.

It now is proposed in Illinois to enact some legislation which will give relief from these conditions; which, in some way, will restrict the use of the words "Bank," "Bankers" and "Trust Company" to those corporations which exist by virtue of law and are subject to government inspection and supervision. Not only do losses fall upon the community through either the insolvency of private bankers or their death and subsequent delay to the depositors in receiving their money through tedious court processes, but losses equally great and perhaps as widely scattered also result from the unauthorized use by unscrupulous persons of the word "Trust" as a part of his or their business name, thus intentionally holding themselves out as a trust company. The legitimate services of trust companies to the community are brought into disrepute through the use of that title as a medium through which to fleece the unwary by dealings in questionable mortgages and other wild-cat securities.

Delaware Law a Good One

Delaware has an effective law making this sort of misrepresentation, if not impossible, at

least dangerous to those pursuing it. This law in three sections provides briefly: First, that every corporation using the word "Trust" as part of its name shall be under the supervision of the Insurance Commissioner of the State, and shall make not less than two reports during each year to such Commissioner on forms prescribed by him. Second, that no corporation shall use the word "Trust" as part of its name except corporations reporting to, and under the supervision of, the Insurance Commissioner of the State. Third, that no person, firm, association of persons or corporations, except the corporations reporting to, and under the supervision of, the Insurance Commissioner, shall use or put forth any sign as a Trust Company, or in any way solicit or receive deposits or transact business as a Trust Company, or use the word "Trust" as part of his, their or its name; and providing for a fine of \$300.00 for each offense.

This gives an idea of the legislation which is necessary in Illinois, both as covering private banks of deposit and discount and persons and corporations assuming to act as trust companies. Among the different ways of accomplishing this regulation the following have been suggested:

First, Abolish private banking altogether, compelling all persons who receive general deposits of money from others to incorporate under state or national laws and be subject to national or state authority, and to report thereto. This would not interfere with the proper business of bankers and brokers dealing in legitimate securities who receive no deposits except by way of margins on purchases or sales of stocks and bonds. There is no question of the power of the state to pass such a law as this. The business of banking is one affected with a public interest; it is one of the necessary adjuncts of the commercial world (as are street railways, gas and electric light companies and telephone corporations), a necessity to the convenience and comfort of society. This business, created primarily to serve the public, supported and maintained by the public, and under the police power of the

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state, subject to its control, should be conducted and supervised in a manner commensurate with the duty it owes to the people. There is no reason why a private banker, often with no experience and frequently with no capital, and certainly with no more business acumen than the heads of incorporated state and national institutions should be allowed to conduct his business, either receiving deposits or making loans, without any restriction or supervision whatever. Whether a law so drastic as the utter abolition of the private banks is now expedient is another question.

An Alternate Plan Explained

The second form of relief proposed is: Allow private banking to continue but whenever a private bank receives deposits it should be subject to the same supervision by the same state authorities as incorporated banks, and it should further be compelled in its advertising, whether on windows, signs or in its published announcements, to indicate that the institution is a private bank. These two provisions, placing private banks under the same supervision as incorporated banks and giving publicity to the fact that they are private banks, accomplish the main end; that is, to enable the public to deal understandingly with such institutions. If a person, knowing what he is doing, prefers to make deposits with a private banker, with a full knowledge of the difficulties he will encounter when he wants to get his money back, that if the banker becomes insolvent either through dishonesty or bad investments, he will probably never see his money again; that, even though honest and intelligent, on the death of the private banker, the depositors' funds will be tied up until his estate has gone through the probate court, and that there is no supervision over his deposits or loans; that at the best his personal responsibility is no greater than if the money was handed to him on the street; if, knowing all these things, he prefers to patronize that kind of a bank instead of an incorporated institution, well and good, but in allowing him to do it in ignorance of the transaction he is undertaking, the state is not doing its duty.

Our experience as receiver of several of those banks shows that in almost every case the depositors assumed they were doing business with a real bank. The evil is aggravated both in principle and in the hardship which the losses impose upon depositors when many of them are foreigners ignorant alike of our laws and our language. The scene around one of these banks when it is announced that the banker has gone, absolutely beggars description. If any man with a heart of anything but stone, who has already made a fortune and is not dependent for the future on the extraordinary profits of private banking, could see and hear these poor wretches when they find the self denying savings of a life time gone over night, he would withdraw every objection to the immediate change of a system which makes these losses so frequent and distressing.

Depositors Often Deceived

How can these people be expected to know that the added security given by the clearing house supervision of incorporated banks does not apply to every bank in the city? They read of the failure of great banking institutions and how the assets are taken over by the clearing house and the depositors paid in full at once either in cash or by transfer of their credit balance to another bank. They assume the same thing is true of any city bank.

Legislation to the end that deception in this regard shall cease is justified in the same way that pure food legislation is justified. If a man's taste and pocket book incline him to eat oleomargarine, instead of bad butter, it is his undoubted privilege and is probably better for him, but he has a right to know it is oleomargarine. The state does no more than its

duty in seeing to it that the label on the can does not lie.

Aside from the illusion that a bank is one man's property, which has been dispelled by our supreme court, the objections urged against such legislation heretofore by private banks are three, which are easily answered.

Safe and Sound Private Banks

First, that there are unquestionably safe and sound private banks in the management of good people. This was conceded at the outset and I went further in admitting the useful place which they filled in the early financial history of the country and in small communities. The postal savings banks will more and more fill that place in the future. Second, that there are failures of incorporated banks and some bad men in the business. This has been the argument of the hanger back from time immemorial. From the earliest date our fore fathers set up a rude altar in the wilderness about which they grouped for worship, the church has been criticised because some bad men are church members. Neither the solid foundation of religion nor the principles on which sound incorporated banking rest are weakened by this plea. Third, that if compelled to incorporate, the private banker cannot make such large loans to a single individual as he can at present, because, under any system of incorporated banks the amount of loans to a single individual is limited to a certain percentage of the bank's capital. This has heretofore proved a wise and necessary restriction, and a study of the facts of the individual cases would probably show that nine-tenths of the failures of banking institutions, either private or incorporated, are due to the fact that too large and untimely loans have been made to one or more favored customers.

Attempted Legislation in Illinois

In 1907 the Illinois Bankers Association, through its legislative committee, endeavored to get through the legislature a bill creating a commission composed of bankers and members of the legislature to frame a suitable law to

(Continued on page 18)

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ILLINOIS BANKING NEWS

By C. C. Burford

The late spring has necessarily caused some uneasiness to banker-farmers, but the general belief is that with favorable weather during the remainder of April the handicap of late farm work will be overcome. The soil is in the best of condition generally, and will yield readily to treatment. Oats sowing has begun, and will soon be done, and then the attention of farmers will be turned to the planting of the corn crop. Farmers have received a good scare on the seed corn situation, with the result that the greatest of care will be used in seed selection. Professor Leonard Hegnauer, head of the department of crop production, whose interesting article on seed testing was published in this department of THE CHICAGO BANKER last week, reports that farmers are deluging his office with inquiries about seed corn. All over the state there is a better intelligence manifested in the attention of farmers to such important topics as these.

Bank "Graduates" Many Men

Mention has often been made in THE CHICAGO BANKER, of city banks, which have "graduated" many men into positions of honor and trust, but it is to be doubted if any bank in any minor city has helped to train more men than has the First National of Urbana.

Probably the best known of these "graduates" of the Urbana First National was the late John Farson, the investment banker of Chicago and New York, whose business is still continued as that of Farson, Son & Co. John Farson was a poor young fellow around Champaign and Urbana, "peddled" milk as a lad, attended the University of Illinois, and "worked" in the First of Urbana. His later life, with its business successes, its generous contributions to churches and charity, its love of home, horses, dogs, automobiles and children, and its eccentricities of dress are of course well-known to bankers of Chicago and the Middle West. John Farson is well remembered by many people of Champaign and Urbana, and his recent death caused them much sorrow.

Another prominent Chicago banker to be trained in this bank is Roy H. Griffin, vice-president of the Peoples Trust and Savings Bank. Serving for a number of years as cashier of the First of Urbana, Mr. Griffin became a national bank examiner with headquarters

in Chicago, and upon the organization of the Peoples Trust of Chicago, a short time ago, became its cashier, succeeding to the vice-presidency at the recent January meeting of the directors.

Henry W. Mahan, president of the South Side State Bank of Chicago, located at 4259 Cottage Grove Avenue, is another Urbana First product. Mr. Mahan has been interested in several banks on the south side of Chicago, and is well-known to Chicago bankers. He owns a fine farm near Urbana, and makes trips at intervals to supervise the farm. His son-in-law, Garland Stahl, better known as "Jake" Stahl, in the University of Illinois, and in American League baseball affairs, is vice-president of the Washington National, Sixty-Third Street and Ellis Avenue.

George W. Curtiss, president of the Dime Savings Bank of Peoria, who has made a large success of the banking business in Peoria, was also with the First of Urbana, as president, and also with a private bank, which preceded it in the same location. Judge Francis M. Wright, now of the federal district court, located at Danville, was for a number of years president of the First of Urbana.

The First of Urbana does a careful and conservative business at the present time. Its officers are A. F. Fay, president; C. W. Richards, vice-president; Geo. W. Webber, cashier; and Chas. F. Loeb, assistant cashier.

Two New State Banks

The Swedish-American State Bank of Chicago, with capital of \$200,000 has been permitted to organize by the state auditor. W. J.

Klingenberg, Wolfe Adolphus, W. G. Arnold, Oscar A. Kropf, and R. O. Heberg have been given the permit to organize.

The Winnebago State Bank of Winnebago, near Rockford, will be incorporated with \$25,000 capital by William Andrews, C. P. Coolidge, Niles Patterson, W. H. Patterson, and E. A. Kerns.

Bank Tests Seed Corn

Considerable interest is manifested in the seed corn test that is being made at the Citizens Bank of Saybrook, McLean county. This bank has procured a national seed corn tester, and is testing 400 ears of corn, furnished by forty farmers in the vicinity. Taking six grains from each ear and returning every ear to the owner with the record of the ear, is the plan. There has been considerable discussion as to whether the corn would grow this year or not, and the result of this test when given will be of much concern to farmers in the vicinity.

Death of Schiller Hosford

Word has been received that Schiller Hosford, secretary of Deere & Co., died suddenly in New York City. From 1892 to 1897 he was a resident of Chicago, first being interested in the building of hotels for world's fair visitors, and later being associated with H. L. Turner & Sons in banking and real estate. He is survived by two sons, W. D. Hosford, treas-

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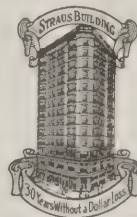
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urer of the John Deere Plow Company of Omaha, and R. S. Hosford of Deere & Co. He was buried in Moline, Monday, April 8th.

Banker Owned Valuable Property

Duncan M. Funk, late president of the First National of Bloomington, owned 116 shares in the First National of Bloomington, worth \$22,270; fifty shares in the First National of Normal, worth \$6,600; one hundred and eleven shares in one of the banks of Shelbyville, worth \$20,606; twenty-one shares in the Heyworth State Bank, worth \$3,150; one hundred shares in the Illinois Trust and Savings Bank of Bloomington, and the Illinois Title and Trust Company, new allied banks of his home city, worth \$6,500; and twenty shares in the Safety Deposit Company of Bloomington, worth \$2,000. Besides stock in other companies Mr. Funk owned about 2,500 acres of choice farming lands in Funk's Grove Township, near Bloomington, part of it was his inheritance from his father, the well-known pioneer, Isaac Funk, besides large amounts of valuable timber lands.

Vermilion County Bankers Organize

Thirty-eight banks of Vermilion county were represented at an organization meeting held in Danville. After perfecting an organization the association of Vermilion county bankers voted to give \$10 per member bank for the encouragement of the boys' corn contest. John A. Cathcart, cashier of the First National of Sidell, was elected president; I. E. Merritt, president of the Hoopeston National, was chosen vice-president; and J. L. Tinch, assistant cashier of the First National of Danville, is secretary and treasurer. By encouraging agriculture the bankers of Vermilion county have started their association in the right direction.

Good Roads Development

More or less good roads discussion is going on in the state all the time. While there is more or less opposition to the question by many farmers and land owners, yet gradually

the movement is being crystallized toward better roads.

Farmers living along the new brick pavement in Newman township, Douglas county, have been offered as much as \$350 per acre for their land. One man likes the road pavement so well that he has offered to give \$5,000 as a bonus besides paying his share of the tax levied against his property. Experimental pieces of good roads in the country are being tried at Danville and Bloomington, brick pavement being used at Danville and macadam preparation at Bloomington. The result of the agitation for better roads will be watched with interest by those, who have known the sentiment of the farmers, which hitherto has been decidedly against the movement. The use of the automobile by the farmers, and by the people in the country villages has demanded better roads, and in a way has silenced the opposition of the farmer, who drives a car.

Illinois Notes

Dean David Kinley, professor of economics at the University of Illinois, was one of the

speakers at a meeting, and a dinner of the foreign trade committee of the Chicago Association held at the Hotel Sherman on the evening of April 9th. Foreign trade conditions were discussed.

The building of the First National of Elgin was damaged by fire to the value of \$1,000. The skylights were especially damaged.

CHICAGO CHAPTER

By R. M. COLEMAN

Politics will make its appearance in the Chicago Chapter about the first of May, and will gradually grow hot until cooled by the results of the election, which will be held the latter part of the month. About one month is given over to politics, and even this does not interrupt the educational work.

At all times the chapter is busily engaged in educational work, entertaining occasionally by having a Ladies Night; also vaudeville smokers and the like are given every so often.

For the meeting of March 5th, the chapter had excellent luck in securing Hon. Joseph H. Fitch, judge of superior court, Cook county. Judge Fitch spoke at length on the important subject of special assessments. At the close of his speech the judge was very busily engaged answering questions pertaining to special assessments.

GROUP 7, NEW YORK, HOLDS ANNUAL DINNER

The annual dinner of group 7, New York State Bankers Association, was held at the Hotel Astor Wednesday night with more than three hundred diners in attendance. Addresses were delivered by William J. Burns, of the Burns National Detective Agency; Rev. Frederick F. Shannon, of Grace Methodist Episcopal Church in Brooklyn, and Cornelius A. Pugsley, president of the Westchester Bankers Association and vice-president of the New York State Bankers Association.

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BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

The past week has brought about an open declaration of war on all loan sharks and usurers operating in Milwaukee by District Attorney Winfred C. Zabel. Almost simultaneously with the discharge of Lawrence Murphy from the house of correction upon the completion of a three months' term, following his conviction of usury, three other loan agents were placed under arrest, and their cases are now pending. The men for whom recent warrants were sworn out are Kenneth A. Bacon, manager of the C. T. Davis Company; Lawrence A. Wagner, manager of the Employees' Loan Association; and E. L. Combes, manager of the City Credit Company. In each case, according to the complaints, interest was charged at much more than the legal rate, in one instance running as high as 48 per cent. Other companies are under investigation by the sheriff and the district attorney, and the wide publicity given the campaign, has resulted bringing dozens of victims to the office of the latter to offer evidence.

"The Milwaukee campaign against loan sharks is only a part of a nation-wide campaign, which I am advised is being waged by more than 200 public prosecutors throughout the country," said the district attorney on Wednesday. "By united effort of this kind usurers can be effectively prevented from operating, especially in the larger cities which heretofore have provided the most lucrative field."

Income Tax Being Fought

The income tax remains the most discussed topic among Milwaukee business men. The Merchants and Manufacturers Association, in whose membership most of the banks are represented, has altered its intention to stamp the return blanks of members as declarations made under protest owing to a ruling of the tax commission that a protest so brought must apply to a specific section of the law, but is contemplating farther action in fighting the law. The association raises the general objection that the radical measure will affect manufacturing and other lines of business in Wisconsin by driving capital into neighboring states, where no such tax is imposed.

Marshall & Ilsley Bank Building Nearing Completion

The placing of the immense limestone columns of the new Marshall & Ilsley Bank building on East Water Street has attracted large crowds about the scene of the work this week. The four columns of the front facade are each made up of ten sections, six feet high, and from four to six feet in diameter. The foundation and steel framework are completed and the exterior finishing is progressing rapidly. The bank will be lodged in its new quarters before the close of the year.

Favor Reduction of Size of Bank Notes

Bankers are generally in favor of the proposed reduction of the size of bank notes, and

the standardization of designs announced by Secretary of the Treasury MacVeagh on Tuesday, although doubtful of the immediate effect of such a change.

"The standardization of bank notes after a uniform size and design would make the detection of counterfeit bills an easy matter, and would doubtless mean a general saving in the long run," said one prominent banker. "A nation-wide change in the bank notes now in circulation, however, would entail an immense amount of labor, and some confusion before the new system could be installed universally."

Receivers for Allis-Chalmers Company Appointed

Receivers for the Allis-Chalmers Company, named by Judge A. L. Sanborn, United States district court, upon application of the First National and Wisconsin National banks, are D. W. Call, president of the company and Otto H. Falk, president of the Falk Manufacturing Company, and of the Merchants and Manufacturers Association. The receivers will continue the business of the company, and will protect all its assets and interests as an operating concern. While no statement to that effect has been made, the proceedings are looked upon as intended to facilitate the early reorganization of the company under the plans proposed at the meeting of stockholders and bondholders' committees held in New York some time ago.



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

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To Promote Crop Improvement

W. P. Bishop, newly re-elected president of the Milwaukee Chamber of Commerce, lays considerable emphasis on the efforts of the organization to promote crop improvement in Wisconsin in his annual report published this week.

"In addition to the publication of matters of interest relating to pure seed grains at intervals in the daily market reports, about 10,000 posters explaining improved methods of testing seed corn, have been sent to all district schools lying in the corn-producing sections," said Mr. Bishop.

Newly elected officers of the association were installed this week, and committees for the coming year appointed. The total income for the year was \$92,872.41 with disbursements amounting to \$66,303.13, leaving a surplus of \$26,569.28.

Milwaukee Notes

Officers of the Germania National Bank have received word from Louis Petran, discount teller, whose ill health necessitated a long vacation in the South, that he has recuperated sufficiently to return to his post at the bank early in May.

James K. Ilsley, president of the Marshall & Ilsley Bank, returned to Milwaukee Saturday from a six weeks' stay in Florida, and the West Indies.

The application of the white tile facing to the eight-story concrete frame of the new Merchants and Manufacturers Bank building on West Water Street began this week. With the heavy construction work completed the bank expects to occupy the building by early fall.

Frederick Kasten, vice-president of the Wisconsin National Bank left this week with Mrs. Kasten for an extended European tour. L. G. Bournique, cashier of the bank has returned from a four weeks' vacation in Florida.

H. B. Mundt has resigned from his position with the Merchants and Manufacturers Bank to become assistant cashier of the Wisconsin State Bank, Milwaukee.

Meeting of Group 2, April 18th

Final arrangements for the meeting of Group 2, Wisconsin Bankers Association, at Madison on April 18th have been completed. The program includes two papers, "Should a Group Attempt to Secure Equal Rates of In-

terest on Deposits"? W. H. Doyle, State Bank of Platteville, and "Mutual Insurance of Bank Deposits," H. A. Molenpah, Citizens Bank of Clinton, besides discussions on uniform bank stationery, interest on deposits, and the limitation of the number of banks to the population served. At the evening banquet, at which F. W. Suhr of the German-American Bank of Madison will preside as toastmaster, Judge Simpson of Shullsburg will speak on "The Duties of the Country Banker," and T. S. Adams of the state tax commission will explain the income tax law. Milo C. Hagan, cashier of the Merchants and Savings Bank of Madison, and secretary of the group, is in charge of arrangements for the meeting.

Group 6 to Meet at Antigo

Group 6 of the state association will meet at Antigo on May 29th. W. B. MacArthur, cashier of the First National of Antigo, is president of the group and Carl Rosholt, cashier of the State Bank of Rosholt, is secretary and treasurer.

Held for Forgery

William Kramer of Green Bay is held for trial on a charge of forging his own name to a postal money order. According to the complaint Kramer signed a money order intended for another man by the same name. He pleaded not guilty at the preliminary hearing before the United States court commissioner, and is held for trial under \$1,000 bail.

Competition Between Racine Banks

Active competition between the Manufacturers, the First National, and the Commercial and Savings banks of Racine began on Saturday, when the banks remained open for business after 6 p. m., following the breaking of an agreement by which they have formerly been closed on Saturday nights.

Wisconsin Notes

Charles Howks, cashier of the State Bank of Horicon has been elected mayor of his city.

Articles of incorporation of the State Bank of Elcho have been approved by State Bank

Commissioner A. E. Kuolt. The capital of the new bank is \$10,000, and the incorporators are Charles W. Fish, John F. Singer, and William J. Litzen.

Plans for the new Arnott State Bank were completed this week with the subscription of the \$10,000 capital stock. A building of brick and stone will be commenced at once.

Since the opening of the fall term \$12,615.27 has been deposited in LaCrosse banks by school children, members of the Penny Savings Association.

An investigation of fire insurance rates in force in LaCrosse will be begun in the near future by a special committee appointed at the last legislature. Rates, contracts, and conditions in general will be included and reported at the next session of the state body.

FORM DEPOSIT SURETY PLAN

A committee of the Wisconsin Bankers Association has submitted to each state banker a plan for the insurance of deposits which, it is believed, eclipses the control exercised by the Oklahoma laws and will meet all requirements.

Membership in the organization would be optional and each bank applying for insurance would be examined and admitted, after the payment of a membership fee.

The organization of an insurance company to be known as the Bank Deposit Limited Mutual Insurance company is embodied in the plan. A force of competent bank examiners would be employed, and the insurance commissioner would have supervision.

The committee which drew up the proposed plan consists of H. A. Moehlenpah, Clinton, chairman; E. A. Dow, Plymouth; Earle Pease, Grand Rapids; C. R. Thompson, Richland Center, and F. E. Woodward, Watertown.

GERMANS LARGE BORROWERS

The money market of the United States has become a world-power as well as its political institutions. In considering the American market foreign conditions must be taken into account. Large amounts recently have been loaned to German banks, and the handling of these loans will continue to exert considerable influence on the financial situation in this country.

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St. Louis

Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin

St. Louis, April 10.—The past week has been marked by a continuation in the strengthening tendency of the money market here. For the first time in many months, good commercial paper bearing 6 per cent has been purchased, and more is being offered. Rates are ranging between 4½ and 6 per cent, and the demand from all quarters is better than it has been for a long, long time. This is attributed to local bankers to a variety of causes. First the agricultural districts are beginning to be heard from in a material way. Then the higher rates in the East are heading considerable money in that direction. Europe is also a factor, as is shown by the avidity of Germany for loans and the low reserve rate of the Bank of England. Chief among the causes, however, is the picking up in general business. The entire machine of commerce and industry is getting into active motion after its long slumber. Various lines and units, which have not applied to the banks since the let-up, have suddenly appeared in the market wanting funds, and wanting them quickly, and willing to pay better rates for them. There is still no mad scramble and alarming reduction of reserves, but relatively things are much more hopeful than has been the case since the late lamented boom period. Manufacturers and jobbers generally here are reporting goodly sales, with collections quite respectable, except in the flood districts, where business has been paralyzed by the superfluity of moisture. This, though, is temporary, and will be remedied when the waters subside. An extremely hopeful thing is that the railroads are beginning to purchase, at least those in this vicinity. Wholesome orders for equipment and betterments are being placed, and spending by the railroads means that everyone gets the benefit. Banks report unusual withdrawals to meet the expense feeding farm animals in the Southwest, where the corn and fodder crops last year were a failure. Local financial institutions are carrying more country bank paper than customary at this season, largely on that account. This is especially true of Oklahoma, Northern Texas and Arkansas.

Savings Deposits Increase

According to State Bank Commissioner Swanger Missourians are acquiring the habit of thrift and saving. They no longer spend right and left with lavish hand, but have taken to putting more and more of their earnings and incomes into savings banks. Discussing banking conditions in the state, Mr. Swanger points with pride at an increase in savings deposits of 10 per cent in 1911 over the preceding year, this in addition to what has been

placed in postal savings banks. The Commissioner's report for the year, which ended February 20th, and which has just been issued, shows an increase in total deposits of over \$14,000,000, a remarkable showing in view of the depressed business conditions the country over. In comparing this report with that of March 7, 1911, the following increases are shown:

Loan and discounts	\$11,392,629
Cash and Exchange	1,210,012
Capital stock	1,315,685
Surplus and undivided profits.....	1,579,622
Deposits	14,292,396
Bills payable and rediscounts	860,000

Conditions are Healthy

Discussing the report Mr. Swanger says: "It will be observed that in all the leading items denoting the prosperity of banks there has been substantial increases since a year ago. Another remarkable showing is that the savings deposits have increased 10 per cent, over last year. If the savings deposits in our banks were all shown as such, this amount would be greatly increased, but in many banks there is no separate account taken of what could be properly denominated as savings deposits, and therefore, we are unable to give the exact amount of this class of deposits, but those that are reported as such show a most remarkable increase along this line. When it is understood that postal savings banks have also been established in all the principal cities and towns of the state, it will be seen that the habit of saving among the people is increasing each year, which is not only an encouraging sign of thrift and economy, but also of general prosperity. I think the financial interests of Missouri should be greatly encouraged at the showing made in this last report, and it points to a still more prosperous year for 1912, as numerous depressing factors which prevailed in 1911, have been reduced or eliminated.

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Big Gains for Corporations

An increase of \$1,000,000 in the gross earnings of the 7,500 corporations in the eastern district of Missouri in 1911 over 1910, is shown in the report of the Internal Revenue Department in St. Louis, which is just completed. Only twelve corporations failed to make returns for the year. The tax receipts for 1911, returned during the first three months of this year, which represent earnings of \$62,500,000, are \$625,000. The receipts for 1910 were \$615,000, representing earnings of \$61,000,000. Eighty-one corporations failed to make their returns in the first three months, and their names have been sent to the department at Washington. About seventy of these companies are St. Louis concerns.

Banks Backing Barge Line

Banks and trust companies of St. Louis are giving strong support, financial and moral, to the St. Louis Steel Barge Line Company, which is being organized under the auspices of the Business Men's League to run a line of barges on the Mississippi River between St. Louis and New Orleans. A. L. Shapleigh, vice-chairman of the organization committee for the line, announces that the list of subscribers includes eight banks and trust companies as follows: American Trust Company, by R. L. Rinaman, vice-president, \$333.33; Boatmen's Bank, by Edwards Whitaker, president, \$1,000; Central National, by M. R. Sturtevant, vice-president, \$361.66; Mechanics-American National, by Walker Hill, president, \$1,500; Merchants-Laclede National, by William H. Lee, president, \$1,133; Mississippi Valley Trust Company, by Breckinridge Jones, president, \$1,700; National Bank of Commerce, by Tom Randolph, vice-president, \$4,500; Third National, by George W. Galbreath, vice-president, \$1,333.33. The odd dollars and cents are due to the decision of the banks and trust companies to subscribe on a percentage basis.

Anticipates More Prosperity

According to the monthly business and financial forecast of the Mechanics-American National, business will become active as soon as the present political atmosphere is cleared. The hand-to-mouth buying of the retail merchants continues, though the prospect for crops is as good as in any year for more than a decade, especially in the Southwest. While there is a gradual growth of optimism among business men, it is said, "the belief in the certainty of better times is still being expressed in extremely conservative ways," as the farming classes are only enjoying a fair degree of

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prosperity in many regions, especially in the cotton states. Commenting on the anti-trust law as laid down by the supreme court in the Standard Oil and American Tobacco cases, the report says "the adjustment which followed the disintegration of the companies was really beneficial to the shareholders."

United Railways Outlook

The sharp advance in United Railways stock has aroused considerable discussion of the prospects of that corporation. The hopeful say that it has worked its way out of the woods, and is about to enter upon a period of relative prosperity, and the ultra optimistic even venture that dividends will be resumed. On the other hand it is set forth that last year, which was the most prosperous in point of earnings in the history of the properties, resulted in barely enough net to pay the preferred dividend. Instead of a dividend the results were applied to a floating debt, which had been accumulating during several years. The company is facing the mill-tax litigation, and owes the city about \$2,000,000 on back payments which it will have to pay, if the suit goes against them. The supreme court of the United States gave the first point to the city, and the two decisions in the circuit court have been against the company. The largest suit is now under advisement by Judge Shields, and no matter how that is decided, the action will be carried to the supreme court of Missouri, and on the findings of that tribunal hinge the outcome. Meantime, no underlying securities are being taken up, only extended. However, the increase in price of the shares is having a stimulating effect on the local security market, as most of the stock is held here.

Missouri Plans

Although the Missouri convention will not occur for more than a month yet, being called to meet at Joplin on May 21st and 22d, a complete draft of the program has been sent out by Secretary W. F. Keyser of Sedalia. A very strong array of speakers is presented for the first day, including, of course, all of the formal and semi-formal addresses of welcome and responses and reports by officers of the association. J. Adam Bede of Minnesota will deliver his monologue on the pursuit of happiness, which pleased the Illinois bankers immensely last year at Springfield. A regular farmers' number is "the Bankers Policy Toward the Farmer," by Samuel M. Jordan, the Farmers Institute lecturer employed by the state board of agriculture. Other addresses will be "The Peril of the Hour" by W. F. Gurley of Omaha and "The Reason Why" by James E. Smith of St. Louis. Neither of these titles gives any indication of what the addresses will present.

The second day's session will offer as its chief attraction William J. Burns, head of the Burns National Detective Agency and as such chief protective officer for the American Bankers Association. Other talks will be by J. Thralls of Kansas City who will report on the Missouri chapters of the American Institute of Banking, and a talk on the proposed national reserve association by Robert W. Bonyne of Denver. The convention on the second day will be given up to the discussion of legal questions, reports of committees, the election of officers and new business.

At the close of the morning session on Wednesday the membership of the American

Bankers Association will meet to select a new member of the executive council in the expectation that the state will have qualified for an additional member by that time. There will be innumerable social features to attract visitors and to entertain the ladies who will be present. On Tuesday afternoon the visiting ladies will be received at the home of President Waite; on Tuesday evening there will be a general reception in the parlors of the Hotel Connor and a grand ball in the main dining-room. Those who prefer other forms of entertainment will visit the roof garden where a smoker and vaudeville entertainment will be found in progress. On Wednesday morning the ladies will be taken for an automobile ride about the city and in the afternoon a trolley ride has been provided over the belt line of the Southwestern Missouri Railroad. This trip will include all the delegates and visitors who will be given an opportunity to inspect the main shafts of the big zinc, lead and smelting companies. On Wednesday afternoon at the close of the convention the delegates and visitors will be taken to Electric Park where all of the various amusements will be free for their entertainment.

Mr. Keyser will be ready to receive and register visitors on the evening of May 20th, and it is the custom in Missouri, "to arrive early."

One of the events not scheduled by the secretary is said to be a plan to elect R. S. Hawes of the Third National at St. Louis treasurer of the association. This position is regarded as merely a stepping stone to the presidency of the association. It is said that Mr. Hawes will not have any opposition, for in times past he has helped almost every other man in the state and never before has asked anything for himself.

Editorial Comment

BANK SUPERVISION IN ILLINOIS

The Chicago Association of Commerce put its powerful shoulder to the wheel on Wednesday by treating its membership to a program devoted to universal bank supervision in the state of Illinois. Fugitive attempts have been made to place some constructive reform upon the statute books in times past many of which were thwarted by the limitations of the constitution, and by-laws of the Illinois Bankers Association, which prevented the real sentiment of the membership from being expressed, and from exercising control. All of this has been corrected, and by an absolute ballot of the membership the association has gone upon record as being 75 per cent in favor of supervision over all forms of banking in the state. To bring about this test of sentiment it was necessary to go over the heads of the executive council, which voted against the reform at the Blackstone Hotel meeting. This negative vote was made possible by the presence of a number of ex-presidents of the association and their allies in former association control among the private bankers. That action, however, gave an impetus to the reform, which otherwise might not have come about. Since then the work has progressed finely. The Chicago daily papers without exception have taken a position squarely behind the proposed reform. Nearly all of the down-state papers of influence, and most of the class papers of the state have come out in favor of throwing additional safeguards about the business of banking, not for the purpose of compelling the honest private bankers to undergo the restraint of incorporation, but for the purpose of protecting the innocent depositor from placing his money in what is a bank only from its outward appearance.

The Chicago Association of Commerce after hearing President B. F. Harris of the Illinois Bankers Association, and W. T. Abbott, vice-president of the Central Trust Company of Illinois, voted unanimously, so far as those present were concerned, to put the whole question up to the executive committee of that powerful organization to assist in putting Illinois in the very front rank of well-governed states with an independent banking department; with universal state supervision over all forms of banking except national; to restrict security-selling companies to the sale of legitimate stocks and bonds, and to punish violators of the necessary provisions for safety.

A committee of powerful personnel representing all forms of banking has been assembled by Mr. Harris, and the work of preparing the necessary legislation will begin at once. It has been reported on the authority of those present that at a meeting of one hundred private bankers located in Cook county between eighty and ninety of them voted squarely for

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

supervision if the capital requirements are not to be made too burdensome. In some states the question of capital is left to the private banker to determine and incorporation is not compulsory. However, some amount of capital must be stated and published, and the names of the members of the banking firm must be made public, and all of the machinery of supervision and examination is exercised over the private banks. This is one form of conversion in some of the older states. In most of the newer states incorporation has been made compulsory before a license issues to exercise the banking function. Whatever shall be done in Illinois will have due consideration for the fixed interests of those, who have conducted their business squarely and honestly in the past.

INVESTMENT BANKERS SECTION

George B. Caldwell of this city has appointed a strong committee of investment bankers representing the leading bond houses and the bond departments of the strongest banks to appear before the members of the executive council of the American Bankers Association at their meeting to be held at Briarcliff Lodge on May 6th to 9th. When this subject came up before the convention at New Orleans it had not been well considered nor had the details been thrashed out. The first impression many bankers received was that it would open the doors to a great many undesirable investment houses dealing in more or less doubtful securities with sub-standard methods of operation. Since that time some of the ablest minds in the association have agreed that the very best method of distributing the benefits of the American Bankers Association is through its sections. By keeping the membership fee in the investment section to a minimum of \$25 probably not more than 500 additional members would come in. This would make a very strong, influential self-supporting body. The very large investment banking houses of the country which now are admitted to the A. B. A. on the same footing as if they were the smallest private banks will not object to paying separate dues of reasonable size to a section devoted exclusively to their interests. It has been planned, furthermore, that the association should have a committee on mem-

bership to exercise such restrictions as may seem expedient or necessary. This movement has been taken up by the constitutional amendment committee, not with a view solely to scrutinize the new members of the investment bankers section, but with a view of improving conditions generally. The committee also has up for discussion the advisability of making some restriction about banking houses and security-selling companies using their membership in the association for advertising purposes. Like every other matter of almost any importance this has two sides. It is altogether likely that if the membership committee will scrutinize the applications carefully the matter of using membership in the association as a means of advertising naturally will take care of itself.

The committee men appointed by Mr. Caldwell will go to Briarcliff from Chicago on the special train which will carry the members of the council and will have plenty of opportunity to advocate and to present their views.

ELIHU ROOT ON THE RECALL

Had Theodore Roosevelt known in 1902, when speaking at the Harvard commencement dinner, and at which time Elihu Root, then secretary of war, was the subject of a highly eulogistic address by our distinguished ex-president, that the gentleman whom he so highly extolled would ten years later take a position diametrically opposed to that of himself on the subject of the recall of judges, and the reversal of judicial decisions by popular vote, a doctrine which the Sage of Oyster Bay now so strongly advocates, it is doubtful whether the man who "knows kings," and whose hat was boosted through the ropes and is being "kicked aroun'" up in North Dakota, by Senator LaFollette, would have taken the trouble to compliment Mr. Root so highly. On that occasion Mr. Roosevelt said:

"He has done the most exhaustive and most responsible work of any man in the administration, more exhausting and responsible work than the work of the president, because circumstances have been such that with a man of Root's wonderful ability, wonderful industry and wonderful conscientiousness, the president could not but help devolve upon him work that made his task one under which almost any other man would have staggered. He has done all this disinterestedly. Nothing can come to Root in the way of reward save the reward that is implied in the knowledge that he has done something of incalculable value, which hardly another man in the Union—no man that I know of—could have done as well as he has done it."

On another occasion the Colonel, in speaking of the distinguished secretary of war, said that he was the greatest man that had appeared in public life on either side of the ocean in his (Roosevelt's) time. It is difficult to attribute this language to the ex-president, who has exhibited such a remarkable propensity to



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use the personal pronoun of the first person. Mr. Root, in conjunction with Joseph H. Choate, and other eminent lawyers, has signed an appeal to the attorneys of the country in which the belief is expressed that it is the "special duty of lawyers to uphold the independence of the judiciary," the appeal being in substance as follows:

"It shall be the object of such association to combat current and all like proposals in respect to the recall of judges, and the reversal of judicial decisions by popular vote, by making clear to the electorate the dangers to the public welfare, which we believe of necessity are involved in the adoption of such proposals."

The opinion of so distinguished a gentleman—Mr. Roosevelt says he is distinguished, and he ought to know, for the Colonel never is mistaken—ought to have great weight with those, who are advocating a third term for their leader. To that class of people who think for themselves it would seem that the view taken by Mr. Root and his brother lawyers is the saner and more conservative. The judges whose duty it is to interpret and administer the laws as prescribed and laid down by legislatures and congress, are men who have made the law their life's work, men who by education and legal training, peculiarly are qualified for the discharge of such a trust, men whose minds constantly are being trained to listen to both sides of a controversy, to eliminate from their minds that which is irrelevant and incompetent, and to retain that which is pertinent and germane. They are men who, being trained in the law, are qualified to apply it to the various exigencies of human affairs, which come under their consideration. To adopt any such plan as that suggested by the loquacious "private citizen" from New York, would have a tendency to create chaos in the ranks of the judiciary of this country. Judges no longer would be forceful and strong-minded; they would be cowardly, timorous and weak; they no longer would have the courage to express their honest convictions, but would be subject to the supervision and control of the advocates of radicalism. If the laws are defective and inadequate, why not seek to remedy the situation in a sane and intelligent way? The only way to get rid of any trouble is to get at the source of that trouble and not to treat it su-

perficially. If every time an erroneous decision were rendered a popular vote were taken, as to the correctness of such decision, the people would be voting all the time, and the banks never would be open for business. The only practical method to adopt under such circumstances is to amend the law, when it is found to be faulty.

&

WHY BUSINESS IS HOLDING BACK

A quite illuminating bit of testimony came out before a recent hearing before the committee on naval affairs of the house, at Washington, recently. The question at issue was the abandonment of certain naval supply stations, and building and equipment yards by the government. New Orleans interests, naturally, want the mouth of the Mississippi kept open in time of war, by the requisite fortifications and naval forces. Samuel Adams Trufant, cashier of the Citizens Bank and Trust Company was testifying valiantly on the matter at issue when the subject of business conditions came up. Mr. Trufant said:

"Now, why has not this (why had not the railroads built and equipped adequate rail terminals and trackage to care for the traffic offered) been done for five years, or the six years in the past? Why has not it been done? The panic of 1907 paralyzed business, and we have been in a continual state of liquidation ever since. The panic of 1907 brought to our attention only one of the things that is hanging over us now. On the horizon there are three great clouds that are intimidating the business

people of this country. One of them is the weakness of your monetary system, which we are employing schoolmasters to go all over the country and tell everybody is rotten. How can business go on?

This created quite a stir and there were questions and answers by Mr. Trufant, by the chairman, and by nearly everyone present. Being permitted to continue the witness said:

The other is revising of your tariff, and that we have got to go through with, as both parties are committed to a careful, scientific revision of the tariff. The third is the proposed regulation of corporations. We began in 1863, I think, with a national banking law. You have regulated the national banks ever since, and nobody has objected to it. In 1885 and in 1886 we had this same cry of centralization of power. When you talked about regulating railroads, nobody rode on anything but a pass, and no railroad in the country carried a pound of freight at its published rate. Do you suppose that that kind of indiscriminate competition could go on? You put in the interstate commerce bill, and you couldn't have the great railroad systems you have got to-day if you had not given an increased power every year. Why can't we regulate corporations? I don't think it is an impossibility in a country where they want to be regulated.

THE CHICAGO BANKER is glad to quote such an active, virile thinker as Mr. Trufant, that bankers may estimate the value of his ideas. He believes that business will go on again on a solid foundation, when we have an honest tariff revision, a new monetary system and governmental supervision over corporations.

MYSTERIOUS DISAPPEARANCE OF PACKAGE OF CURRENCY

Late last week the employees of the Continental and Commercial National Bank of this city sent a package containing currency in the amount of \$25,000, to the First National Bank of Pasadena, Cal., the money being sent by registered mail. It now develops that the California institution has not as yet received the money. The matter has been called to the attention of the postal authorities. One hypothesis is that the money never was sent from Chicago, and another is that it was lost en route. Officials of the Continental, however, say that there is no reasonable doubt as to the sending of the money. John R. Washburne, chief clerk of the domestic exchange department of the Continental expects to get some clew as to the lost package in a short time. Officials of the Chicago institution are at a loss to account for the disappearance of the money, if it has not been stolen.



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Savings Bank Deposits ..	2,389,000,000	4,070,486,000	70%
National Bank Deposits ..	2,436,000,000	5,287,216,000	115%
Bank Clearings, U. S.	84,582,000,000	158,559,487,000	87%
Bank Clearings, N. Y.	51,964,000,000	99,257,662,000	91%

Irving National Exchange Bank

	1900	1910	Per Cent Increase
Capital.....	\$ 300,000	2,000,000	566%
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Deposits.....	3,446,500	28,360,200	722%
Assets.....	4,108,800	33,347,200	711%

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W. T. ABBOTT BEFORE CHICAGO ASSOCIATION OF COMMERCE

(Continued from page 9)

present to the next legislature for passage. This first measure failed of passage for the reason, I am informed, that the authorities at Springfield were unable to agree as to the manner in which the legislative members of the committee should be appointed. Whether the steps taken this winter will be in the way of providing for the selection of such a commission and an attempt to enact their proposals into law at the next session, or whether direct or immediate legislation will be attempted, is a question not yet determined. But I hope I have made it evident that something must be done by somebody.

Of no less interest than the foregoing, but perhaps with less hope of immediate solution, is the question of what the state should do with reference to so called "investment companies," or with individuals who make it a business to sell stocks to the unsuspecting public which the sellers know, or may be presumed to know, absolutely are of no value. The postoffice department of the government estimates that no less than \$100,000,000 a year is taken from the people through the sale of fake and wild-cat securities. Bankers are the first to feel the effect of an epidemic of such purchases on the part of their customers because the money usually is drawn from the bank for such investments. Ultimately the effect of it reaches every business and industry which is represented here, because, after a man has lost his money through such investments, he gradually fails to pay his bills, his purchases for his household and family are less, and enforced economies are put into operation. The corner grocery and the nearest dry goods store feel it at first but the taking of this money out of the banks and out of the channels of legitimate industry, and inability, and failure to provide for family needs, ultimately is reflected in smaller sales by the wholesaler, jobber and manufacturer.

Why the Legislature Should Act

You ask why anything should be done by the state to relieve this situation? Why can not any man spend his money as he chooses? That was the theory of the older school of political economists. It is the theory of the common law of England which we have acquired by inheritance.

Generally speaking our fundamental body

of law as found in our statute books, and the reported decisions of the courts, is divided into three classes. First, those laws which relate to the revenue of the governing body, their assessment and collection and what may be called the administration features of government. Second, laws regulating the interpretation and enforcement of agreements into which parties have voluntarily entered, that is, contracts. Third, the regulation of the relations between individuals in the social community as to which they have not agreed or contracted.

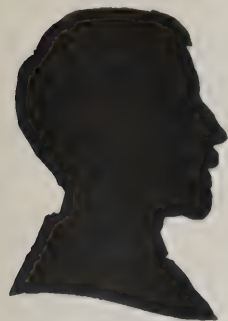
As to this last division, the older school of economists believe that nation is best governed which is least governed. It was the theory of the common law, almost a maxim, that every adult person is able to take care of himself; and the only limitation placed by the common law on a man's use of his property was that he should so use it as not to injure the property or welfare of another. The modern theory seems to be that in these days an entirely new body of laws is necessary which are to protect the individual, not from the aggressions of others, but against himself, and the excuse for such legislation is that the welfare of the state thereby is best preserved. There are extremists, both cheerful optimists and long faced pessimists, who go so far as to hold that these laws for the protection of the individual against his own improvident acts ought to be passed by the public vote of these same individuals. In other words, that the individual who is incompetent to manage his own business is capable of making laws to protect himself against his own improvidence. To that extent I do not go. But granting that an individual does need to be protected against his own improvident acts, then so far as concerns protecting him in investments, he needs the same protection as in banking, i. e. that the label on the can shall speak the truth. First, that he shall not invest his money in an over issue of stock in an enterprise legitimate in itself. Second, that he be protected against the purchase of stock which has no security back of it except wind or blue sky. The first has already been accomplished and without the necessity of the law's intervention. It is familiar history, especially to those who have read such books as Charles Francis Adams' "Chapters of Erie," that in the days of large speculation by the officers of railroads the printing presses worked overtime and by the millions shares over the authorized capital

were issued and sold, causing untold disaster and ruin. To prevent its continuance and rid themselves of any moral responsibility in the matter, the New York stock exchange provided some years ago that all active listed stocks sold on the exchange should be registered. There was created the office and duty of registrar and transfer agent of corporate stocks, and the duties in this connection are one of the most important functions which the modern trust company performs. Of course, having stock registered by a trust company does not make worthless stock good any more than listing it on the stock exchange will accomplish that end. Neither trust company nor exchange managers are responsible for the failure of a concern engaging in good faith in a legitimate enterprise, but the registration of stock prevents more than the properly authorized issue of stock getting into the hands of the public. But registration and listing upon the exchange is accompanied by the requirement of annual or semi-annual reports, which at least serve as some guide to the relative value of the various investments offered.

Worse Frauds Practised To-day

Over issue of stock was not confined to the days of Fisk and Sage. Worse frauds are still practised. They had tangible property against which the stock was issued. More serious conditions exist in these days in the sale to the public of stock which has no property or anything of value whatever, back of it.

Before the newspapers and magazines awoke to the gravity of this situation, many of them in their advertising columns gave, perhaps thoughtlessly, an efficient aid to these enterprises. In flush times these columns were filled with advertisements of corporations issuing stock, in small denominations to place it within the reach of "small investors," tempting gold and copper mining stock for the discontented janitress and ambitious elevator man; corporations with new processes of machinery to revolutionize the manufacture of household articles, or exploiting, startling inventions to revolutionize the ways of commerce. Investigation shows that many of these are created solely to sell stock with no intention of doing a legitimate business with the money received. Once the stock is in the hands of the investors the company goes out of existence leaving behind it no record of work accomplished and no memory of it except the beautifully engraved certificates in the



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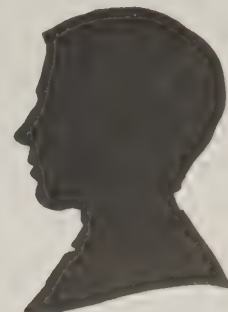
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bureau drawer or between the leaves of the family bible. While I have spoken of the janitress and elevator man, the trail is much broader; I doubt if there is one present here among the intelligent business men who has not at one time been victimized by this sort of transaction. Probably more people have lost money by wildcat mining stock than any other variety. Nothing but bitter experience will convince, not only the average person but also many of higher intelligence, that any mine anywhere on earth in such a state of development that large dividends are assured does not need to go peddling its stock at a few cents on the dollar any more than a man with a pocket full of \$5.00 gold pieces needs to stand on any street corner beseeching passers, by to purchase them at \$4.00 a piece. In recent years probably the number of investments offered in oil companies, irrigation schemes, plantation and transportation enterprises in Mexico, Central and South America does not fall far short of those in unsuccessful and non-existing mines.

"Blue Sky" Law

There has been in successful operation in Kansas now for more than a year the so called "Blue Sky Law," so nicknamed because it is designed to prevent the sale of securities that are based mostly upon the atmosphere. The law provides in brief that before offering any stock, bonds or securities for sale in Kansas, the investment company must file with the bank commissioner a statement in complete detail in the form prescribed giving an itemized exhibit of the financial condition, assets, liabilities, description of property owned, the plan upon which it proposes to do business, copy of its charter, by-laws and all contracts it proposes to make with its contributors, and such other information regarding its affairs as said bank commissioner may require, all to be verified under oath by a responsible officer of the company. If such report is satisfactory to the commissioner, he then issues a revokable license to sell such securities in Kansas. The law provided such heavy penalties for disobedience of the act that practically every one of such concerns has been driven out of Kansas and to-day presumably is roosting above the carcasses of their victims in Illinois, Iowa and Missouri. Whatever one may think of the theory of such a law, it certainly has worked well for Kansas. The main objection which has been urged to it is that by giving his approval to an irresponsible concern, the commissioner might put the state in a position of having approved a dishonest investment. Whatever other criticisms may be urged against it I do not think this one is tenable. It might occasionally happen that a perfectly good concern would be refused a permit. This is far more likely to happen than the other. As a matter of fact, much the same thing indirectly has been accomplished in the case of bond issues through the present attitude of trust companies themselves without the compulsion of any new law. There is no legal responsibility attaching to a trust company

that allows the use of its name as trustee in a corporate mortgage and certifies the bonds as being the bonds described in such mortgage or trust deed. The trust deed is usually explicit in relieving the trustee from any responsibility whatever for any of the statements as to the security contained in said mortgage. But a few years ago losses occurred through bond issues which trust companies had certified without any inquiry into the security back of them, where the funds were dissipated or never went into the property. The result was that a responsible trust company to-day before it will become trustee in a mortgage and certify bonds, requires practically the same information from the promoters and stockholders of the company making the mortgage that is required by the commissioner of banking of Kansas before he issues a permit to an investment company; that is, the fullest disclosure of its assets and liabilities, contracts, earnings and fixed charges. This is solely by reason of the moral responsibility which attaches to the transaction and not from any legal duty. They now refuse to certify bonds in advance of construction, and in the first instance will certify only an amount of bonds equivalent to the risk which the promoters and the stockholders themselves have in the enterprise. In these cases a trust company occasionally refuses to be trustee in a bond issue of an enterprise which in the course of a few years turns out well. But offsetting one instance of that kind it refuses twenty others where bonds in worthless enterprises would be sold in reliance on the name and financial strength of the company certifying the bonds. So the Kansas Blue Sky Law is not so wild as it seems.

Advised Registration of Stock by Trust Company

A few years ago in discussing the functions of trust companies, particularly that of registrar and transfer agent, I suggested the advisability of a law requiring all corporations offering stock for sale to the public, having it registered by a responsible trust company, and I then used a figure of speech which may possibly be understood here, that if that were done the holder of such a ticket would be in a position to see the race even if his horse did not win. I believe some of you at times have found comfort in that.

It is perhaps too early in the modern development of such law to urge upon the legislature at the coming session any radical legislation respecting investment companies. Moral consciousness may awaken before that is necessary; if it does not, the other must ultimately come. The education of the public generally to a point where it will learn that it is better to invest its savings in buildings, factories, and public utilities near at home where they can see the security and receive a guaranteed proper rate of interest than a hole in the ground four thousand miles away, is slow but hopeful.

Time for State to Intervene

But it is certainly time for the state to intervene in the regulation of private banks and the legislature at its coming session will be asked at least to make a beginning.

To secure this bankers need the hearty co-operation of the Association of Commerce and in return will be glad to lend their aid to such measures for the relief of condition in Chicago, or those matters of common interest which we are all hoping to advance, as may be possible. Nothing can be accomplished in the way of the legislation desired by Chicago and Chicago people except by thorough and earnest co-operation among themselves. Further, they must learn to co-operate with a large representation from the southern half of Illinois about which the Chicago people in general know as little as the inhabitants of that part of Illinois know about Chicago. Few of you realize the size of Illinois, that it stretches from the same parallel as Boston on the North to Norfolk, Virginia, on the South, and between the two extremes there is every variety of soil, climatic conditions and temperament of people that is found between the homes of the Puritan and Cavalier. Our committees from Chicago to the legislature too frequently make the mistake of ignoring the population of an area of the territory equivalent to New Jersey, Delaware, Eastern Pennsylvania, Maryland, and North Virginia. To work in harmony with representatives from that district will be our aim. It should be yours, and these who can harmonize the interests of Chicago and Southern Illinois, and at the same time bring together into some degree of unanimity the legislation wanted by different Chicago interests, will do the city and state an incalculable service.

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

The executive council of the Kansas State Bankers Association has announced the program for the state convention, which will be held in Wichita April 17th and 18th. It is expected that this convention will be the largest in the history of the association. The executive council will arrive in Wichita the day before the convention in order to complete all arrangements before the meeting. The officers of the association are: M. B. Light of Winfield, president; E. S. Chenoweth of McCracken, first vice-president; H. D. Tucker of Eureka, second vice-president; F. G. Bergen of Summerfield, treasurer. The address of welcome on behalf of the city will be made by Henry J. Allen, and the address of welcome on behalf of the banks, will be made by Senator J. H. Stewart, vice-president of the National Bank of Commerce, Wichita. Response on behalf of the association and visitors will be made by Senator George W. Hanna, cashier Farmers State Bank, Clay Center. The annual address will be delivered by President Light. Among the formal addresses will be the following: "The Kansas Guaranty Law," William McFerran, president of State Savings Bank of Topeka; "The Kansas Inheritance Tax Law," Senator M. A. Householder, president of the Cherokee County State Bank of Columbus; "Burglary Insurance and Fidelity Bonds. Do We Favor a Mutual Insurance Company?" by J. B. Adams, cashier Butler County State Bank of Eldorado. State Bank Commissioner J. N. Dolley will be in charge of the discussion on the National Reserve Association Plan, which will consume much of the time of the second afternoon of the meeting. The question box will be conducted by C. C. K. Scoville, president Citizens State Bank of Seneca.

Meeting Kansas City Clearing House Association

The annual meeting of the Kansas City Clearing House Association was held last week, and these officers were elected: President, P. W. Goebel, president of the Commercial National, vice-president, George S. Hovey, president of the Interstate National; secretary and manager, Jerome Thralls; treasurer, Henry Schwitzgebel, treasurer of the Commerce Trust Company, and a clearing house committee, which corresponds to a board of directors. George S. Hovey, P. W. Goebel, E. F. Swinney, president of the First National; Walton Holmes, president of the Pioneer Trust; J. W. Perry, president of the National Bank of Commerce. The annual statement of the clearing house association, shows that compared to the previous fiscal year, the county clearings increased 6.07 per cent in col-

lections, while the city clearings decreased 2.98 per cent. The new fiscal year will probably be a very prosperous one according to Manager Thralls, and retiring President Swinney, both close students of the financial condition of the Kansas City territory. "The prosperity of the banks of Kansas City depends on the prosperity of the farmers, and everything points to a bumper crop in the Central West," said Mr. Swinney. "The Kansas country town banks report farmers in their territory elated over the heavy snows of last winter, and confident that his year will be a record breaker in every respect. The Kansas, Missouri, Nebraska and Oklahoma farmers will seed more carefully this year, owing to the campaign of education relating to the selection of seed, and country town bankers expect much money in circulation later in the year." The Kansas City Clearing House Association has taken an active part in the campaign of education referred to, and has been flooding the Central West with pamphlets of instruction as to seed testing.

To Have New Building

The National Bank of the Republic, one of the newest, as well as one of the strongest, of Kansas City financial concerns, is preparing to move from its present quarters at the southwest corner of Tenth and Walnut streets to temporary quarters diagonally across the street. This bank has let the contract for a twelve-story bank and office building on its own corner, which will be finished by January 1, 1913. It will be a very handsome structure, and a fitting complement to the fourteen-story National Bank of Commerce building on the opposite side of Tenth Street. The National Bank of the Republic is the institution in which William Huttig, Fred Huttig and Willis Wood are heavily interested. These are among Kansas City's most enterprising capitalists.

Wants Extradition for Those Selling Mortgaged Property

O. E. Johnson, manager of the protective department of the Nebraska Bankers Association, has written to Senator Hitchcock asking him to obtain legislation making the sale of mortgaged property an extraditable offense under the extradition treaty with Canada. This kind of fraud, and the inability to extradite such offenders has resulted in great loss to Nebraska banks. The attention of other banking associations has been called to this serious omission of the law.

Decrease in Oklahoma's Guaranty Fund

Oklahoma's bank guaranty fund is lower now than for a long time. The recent state-

ment issued by F. G. Dennis, treasurer of the state banking board, covering three months ending March 31st, shows \$19,054 to the fund's credit. The December report showed cash amounting to \$61,119 to which was added \$16,444 received from banks on assessments, and \$12,955 collected on assets of failed banks, making the total resources of the quarter \$90,518. The late disbursements show heavy payments on account of previous bank failures. One item of payment was \$45,244 on account of the failed Night and Day Bank of Oklahoma City.

Stuive Gives Himself Up

B. F. Stuive, 22 years old, of Sylvan Grove, Kansas, has given himself up to the authorities after confessing that he robbed the Farmers State Bank of Sylvan Grove of \$1,000, while assistant cashier of the institution. For six weeks the young man has been wandering about from one city to another, and says he is tired of being a fugitive. He declares that he never was in trouble before. "The worst thing I did was to forge a draft for \$500, when I bought my motor car," he said. "The price of the car was \$740, and my savings from my monthly salary of \$40 a month didn't come within \$600 of being that much. So I wrote a draft in favor of the other bank on our town and got it cashed." Stuive was arrested in St. Louis.

Trade Excursion Through Texas

More than one hundred representatives of business and banking houses of Dallas, Tex., spent last week on a trade excursion that took the travelers as far southwest as San Antonio, and as far southeast as Beaumont. It was by far the most successful "booster" trip ever undertaken under the auspices of the Dallas Chamber of Commerce. The Dallas bankers, who made the pilgrimage were: George H. Pittman, assistant cashier, American Exchange National; R. P. Wofford, cashier, Commonwealth National; J. H. Ardrey, cashier, City National, and Edwin Hobby, cashier Guaranty State Bank and Trust Company.

Omaha Commercial Club

The Omaha Commercial Club has announced that a nine-coach special train will carry more than one hundred Omaha trade representatives through Iowa, Missouri and Nebraska on the annual spring trade excursion, which will leave Omaha the night of June 2d, and return a week later.

Will Ask Issue of Bonds

Having completed the inspection of the Kansas City, Mexico, and Orient Railway in the United States, the receivers of that prop-

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erty headed by E. Dickinson, former vice-president and general manager of the system, have gone to El Paso, Texas, where they will await a favorable opportunity to inspect the completed portion of the system in Mexico. The receivers announce that they will soon ask the courts to approve an issue of \$30,000,000 in bonds to complete the road. Persistent rumors have come to Kansas City within the past week suggesting that there may be further inquiry into the methods by which the two big subsidiary construction companies were financed. Although these two companies have been declared bankrupt with liabilities of more than \$30,000,000, receivers have not been appointed for them by the court.

New Austin Trust Company

The Texas banking department has just issued a charter to the Texas Trust Company of Austin, which is headed by Sam Sparks, former state treasurer. The capital stock of the new organization is \$200,000, and by the payment of \$112.50 a share, there has been created a surplus of \$25,000. The incorporators are George W. Walling, Jr., Sam Sparks, E. P. Wilmot, Chester Thrasher, H. A. Wroe, Walter Bremond, and H. A. Turner, all of Austin, and they are also on the directorate, in which every bank in Austin is represented. The other directors for the first year are N. A. Stedman, S. P. Ledbetter, H. E. Ford, Tom B. Walling, C. A. Nelson, A. W. Pfluger, and L. B. Mewhinney of Austin, and J. Z. Miller of Kansas City, Mo. The Texas Trust Company expects to begin business May 1st.

In New Building

Saturday afternoon, April 6th, after the business of the day had closed, the Bankers Trust Company of Houston, Texas, moved into its new home on the second floor of the million-dollar Union National Bank Building. The handsome quarters vacated by the Bankers Trust Company in the Scanlan Building will be occupied by the Commonwealth Trust Company.

Speelman Sentenced to Five Years

Ward D. Speelman, defaulting teller of the Merchants National Bank of Topeka, has been found guilty under an indictment of the federal grand jury, and will be sent to the United States prison at Leavenworth, as soon as he is able to leave the hospital, where he is now receiving treatment for his eyes. Speelman embezzled \$9,000 by switching accounts of customers. He used the money in keeping up a fast social pace. He was sentenced to five years' imprisonment.

Will Establish Branch in Oklahoma City

The Georgia State Savings Association, the largest loan and savings institution in the South, which already has branches in eight different states, and which is capitalized for \$4,000,000, will enter the southwest territory. Arrangements have been completed for a branch office in Oklahoma City, which will open for business the latter part of April, to take care of the Oklahoma, Texas and New Mexico territory.

Galveston Has Record

Galveston bankers are delighted at the showing made by their clearing house association for the past few months. According to the official figures, Galveston ranks highest among southern commercial centers in the per-

centage in gain of bank clearings in March, 1912, over March, 1911. The gain is 47.8 per cent. The gain over March, 1910, is 42.5 per cent, the largest gain of any southern city.

New Texas State Bank Examiners

Commissioner B. L. Gill of the Texas banking department has announced the new assignments for the Texas state bank examiners as follows: Dallas district, L. R. Buchanan; Brownsville, district, George D. Campbell; Fort Worth district, J. H. Cheatham; Beaumont district, L. P. Kean; Waco district, L. J. Davis; Tyler district, R. R. Cook; San Antonio district, Paul G. Viliaret; Stamford district, Louie Cohn; Houston district, C. S. Holderness; Wichita Falls district, J. W. Hayes; Sherman district, W. L. McFall; Amarillo district, I. V. Myrick; Calvert district, J. S. Wightman; El Paso district, E. F. Gossett.

Central West Notes

Kansas is making its annual clean-up of corporations. The state law requires all corporations to make an annual report by the last day of February under the penalty of having their charters revoked.

A. N. Green has bought the controlling interest in the First National of Cameron, Tex., from A. J. Dossett, Mr. Green becoming president.

The First State Bank of Leonard, Fannin county, Texas, capital stock \$50,000, has been granted a certificate of authority by the Texas banking board.

All the structural steel of the twelve-story office building being constructed by the Commonwealth Bank of Dallas, Tex., is now in place, and the concrete floors for the first six stories are in place. The bank expects to move into its new quarters by September 1st.

Clarendon, Texas is to have a new bank, the name of which will be the State Bank of Clarendon. It will have a capital stock of \$25,000.

Mrs. Dema Hart has been made assistant cashier of the Power State Bank, Anchor City, Texas. Mrs. Hart was first employed by the bank as stenographer with no knowledge of bookkeeping. So rapidly did she learn all of the details of the banking business, however, that at a recent election she was promoted to the position she now occupies.

Harry E. Lewis, formerly with the City National of Omaha, has bought out the interest of F. T. Parker in the Farmers State Bank of Florence, Neb., and will become its cashier. W. R. Wall will remain as president. Mr. Parker has sold out to devote his entire time to his orange groves in Florida. The board of directors of the bank now consists of W. R. Wall, H. E. Lewis, R. H. Olmsted, and C. E. Wall.

C. L. Alleman, president of the Standard Oil Company of Nebraska, has been elected to the directorate of the City National of Omaha. The City National is one of the youngest banks in that city.

Emporia, Kan. has just voted a bond issue of \$135,000 to build a new high school in that city.

Eighteen of the twenty-two banks of Comanche county, Okla., recently organized a county association with headquarters at Lawton. George W. Graham, president of the First National of Walter, was elected presi-

dent of the association; E. W. Dilling, cashier of the Fletcher State Bank, vice-president, and Frank L. Ketch, cashier of the Lawton National, secretary.

Jerome Harrington, formerly of Watonga, Okla., and George H. Hamilton, formerly of Watseka, Ill., the new owners of the State Savings Bank of Wichita, Kan., were guests of honor at a dinner given recently, by the Wichita Clearing House Association. Practically every banker in Wichita, and many bankers from surrounding towns attended the dinner, and extended the guests of honor a warm welcome to the local banking fraternity.

The following reserve agents for state banks have been approved by the Texas department of banking: For the Pecan Gap State, Pecan Gap, the First State of Dallas; for the First State Bank and Trust Company of Laredo, the Lumbermens National of Houston, and the Chase National of New York; for the First State of Rochester, the Mechanics and Metals National, New York; for the State Bank of Kenedy, the South Texas Commercial National of Houston; for the Levi Bank and Trust Company of Victoria, the City National, West Texas Bank and Trust Company, Lockwood National of San Antonio, and the First National of Galveston; for the Haskell State of Haskell, the First State Bank and Trust Company of Abilene; for the Lockhart State, Lockhart, the First National of San Antonio; for the First State, Ben Franklin, the American National of Paris, and the St. Louis Union Trust Company; for the First Guaranty State, Sadler, the Commercial State of Sherman; for the Guaranty State, Springtown, the Farmers and Mechanics National, Exchange National of Fort Worth, and the First State of Weatherford; for the Wilderado State, Wilderado, the First National of Fort Worth; for the First State of Avery, the Seaboard National of New York, the Texarkana National, Texarkana, Tex., and the Red River National of Clarksville, Tex.

TEXAS TRUST COMPANY FORMED

The articles of incorporation of the Texas Trust Company of Austin have been approved by the state department and a certificate of authority will be granted by the state banking board at its next meeting. This is the company which former State Treasurer Sam Sparks has been organizing.

The company has a capital stock of \$200,000, all paid up, there being 2000 shares of \$100 each paid for at the rate of \$112.50 per share, thus creating a surplus of \$25,000. This new corporation is to do a banking business of receiving deposits and also discounts and also a general trust business. The majority of the stock is subscribed by Austin people. The incorporators are George W. Walling, Jr., Sam Sparks, Dr. E. P. Wilmot, Chester Thrasher, H. A. Wroe, Walter Bremond and H. A. Turner. All the banks of Austin are represented in this list of incorporators.

Baltimore, April 8.—The rejection by the Maryland senate of the bill which has passed the house proposing a flat rate of 1 per cent on banking capital in lieu of the present cumbersome method of taxation has caused deep disappointment in financial and commercial circles.

THE surest indication of a bank's stability is the steady growth of its surplus. The following table shows the increase in the Surplus and Undivided Profits, during the past ten years, of

The Security National Bank Of Minneapolis

1902 - \$160,000	1907 - \$ 799,000
1903 - 242,000	1908 - 1,052,000
1904 - 371,000	1909 - 1,158,000
1905 - 522,000	1910 - 1,438,000
1906 - 698,000	1911 - 1,773,000
1912 - \$2,079,270	

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Joseph Chapman, Jr., is said to be the original farmer. He was the first this year to plant potatoes, at his country truck farm on the shores of Lake Minnetonka, at a place called Orono. Following out the ideas he is propagating of making the farm attractive to the young, Mr. Chapman bought a place in the country, and last fall when he left for the city he placed his potatoes in a root cellar, and the water seeped through into the cellar and froze the potatoes into a glacier, and they are planted so thoroughly that they probably will not sprout.

George F. Orde

George F. Orde is the original street cleaner. He was put at the head of the committee of the Civic and Commerce association which has to look after the condition of the streets. He goes into back alleys, notices papers and refuse thrown around and then he goes into the front door of the establishment and acts perfectly severe, and the proprietor cleans up and is afraid to be dirty again. Mr. Orde is pronounced a huge success and ideas he has advanced to promote the cleanliness of the city streets and alleys are proving effective, his committee men say.

Buy Automobiles

S. S. Cook of the Minnesota Loan and Trust Company, and W. F. McLane of the Hennepin County Savings bank, are learning the intricacies of cut out, carburetors, differentials, housings, full floating axles, multiple discs, and the like. They have both fallen for the automobile and can drive one block without looking.

Suggests Sale of Bonds

Walter J. Smith, Minnesota's treasurer, suggests sale of the \$2,145,000 Virginia state bonds which the state owns. They were bought in 1890 at \$1,865,062. They pay 3 per cent rate. An offer has been received at .8625, which would bring \$1,850,062. This could be

loaned in a short time to counties, school districts and cities at 4 per cent. The bonds run to 1999 and would bring the state in that time \$5,598,450 in interest. Loaned at 4 per cent the principal would return \$6,438,000. The gain would be even more, it is said, for the corporations which borrow will have to get the money from private sources at 5 per cent. The state loan would save them \$18,650 a year, at present rates. The board of state investment is to consider the matter.

H. L. Moore Back

H. L. Moore, treasurer of the Minnesota Loan and Trust Company, is back from a forty-five day trip, which included thirty-one days aboard ship in the West Indies cruise.

J. C. Bassett a Minneapolis Visitor

Farmers have begun seeding in his part of the state, says J. C. Bassett, president of the Aberdeen National bank, South Dakota, at the Minnesota Loan and Trust Company offices to-day. Before coming to Minneapolis Mr. Bassett drove out ninety miles from Aberdeen and found conditions good and planting of the crop begun. Seed corn conditions are about the same as in Minnesota. Moisture is plenty and prospects seem good. In the Aberdeen district the seed financing is being handled at home, so that the farmers have not had to get aid from outside to provide for the seeding.

Bank Transferred

The Florence State Bank, S. D., has passed into the hands of Dr. H. M. Finnerud, C. B. Williamson, Edward Lamm, Charles Kreger and J. B. Hanten of Watertown, and Chris Hupler and Edward Short of Florence.

Frank B. Gannon

Nomination of Frank B. Gannon, president of the First National of Aberdeen, S. D., is expected as treasurer on the state democratic ticket. While opinion is divided on other offices no one has filed against Mr. Gannon since he announced his candidacy. He was

born in Genoa, Ohio, October 21, 1851. He has paid his own way since fifteen. He taught school at 19. At thirty-one he moved to Ellendale, N. D., and seventeen years later bought in at the First National. He is a cattle rancher too.

Secretary J. Wilson Will Address Farm School

Secretary James Wilson of the agricultural department expects to address the Minnesota bankers at the state farm school, July 14th. He writes Joseph Chapman, Jr.: "As I intend to begin demonstration work in the north in real earnest and have quite a sum of money from congress for the purpose I would like to meet the bankers on this occasion and will do so, provided departmental duties, which are very exacting, do not intervene."

"The fact is the educated man must go to the farmer and help him by demonstration work on his own farm with his own hands. In other words the college must be taken to the farm, instead of expecting the farmer to go to college. That is the policy we have been pursuing in the south and it has been successful."

R. G. Hutchins, Jr., of New York, Visits Old Friends

R. G. Hutchins, Jr., vice-president of the National Bank of Commerce, New York, one of the Minneapolis men who has made a record in the financial world in the metropolis, visited his banker and school-day friends last week. Mr. Hutchins is a son of the former pastor of Plymouth Congregational church. He went from the position of manager of the Chicago Railways in the banking business. He found many of his former playmates leading business men of Minneapolis to-day. To them he is "Grove" Hutchins.

Discover Old Programs

Resurrection of some old dance programs at the opening of the Minneapolis Chamber of

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Commerce building June 15, 1884, discover the fact that Al Krech was on the music and floor committee.

Twin City Bank Clerks Hold Contest

By a turnabout the Minneapolis bank clerks won two firsts and a third in a contest with the St. Paul clerks, their victors last year. The affair was last week at the Merchants' hotel under institute auspices. A dinner followed. V. M. Finseth of the Security got a gold stickpin by describing fifty checks in three minutes and twenty-two seconds; J. E. Shattuck of the same bank counted \$750 silver dollars in five minutes and twelve seconds and won a watch fob. John A. Boob, same bank, got third prize for money counting. The banner prize, a gold watch was won by A. E. Turnquist, First National, St. Paul, adding 200 bank checks in three minutes and eighteen seconds. He won first prize in mental addition footing fifty checks up to \$11,000. Walter Honebrink, St. Paul, First National, took the second prize in mental addition, E. Bjorklund the second money counting prize, and A. R. Larson, took second place in the adding machine contest.

OFFERING GOOD MISSOURI BONDS

D. Arthur Bowman & Co., St. Louis, are offering good Missouri bonds paying nearly 5¾ per cent. They are the refunding issue of the Springfield (Mo.) Railway and Light Company, at 96 and interest. These bonds fall within the requirements for bank investments and are regarded as absolutely safe. An interesting circular will be sent on application.

FOURTH NATIONAL BANK

Directors of the Fourth National Bank, New York City, have elected Ernest W. Davenport, assistant cashier, and Charles E. Meek, assistant cashier, to vice-presidencies. Charles E. Fox, chief clerk; Edwin T. Ross, credit inspector, and Raymond B. Cox in charge of the transit department, have been appointed assistant cashiers.

LAST DIVIDEND PAID

Announcement of a final 10 per cent dividend to the depositors in the defunct Commerce and Deposit Bank, Cincinnati, Ohio, was made in common pleas court last week by Attorney V. H. Beckman of the state banking department. This division of the assets of the bank pays the depositors dollar for dollar, with 6 per cent interest. Mr. Beckman announced that the stockholders in the former bank will be paid between 10 and 15 per cent. These figures are considerably in advance of any previously suggested.

The postal savings bank which has been open at Minier, Ill., since March 1st has the unusual record of not a single deposit in the first thirty days which it has been open for business.

North Dakota Plans

Secretary W. C. McFadden of the North Dakota Bankers Association will offer a strong program at the Jamestown convention to be held on June 19th and 20th. The program practically was completed at a meeting of the committee held at Fargo this week. State Engineer T. R. Atkinson will talk on "Good Roads" and Thomas Cooper on the subject of the practical workings of the Better Farming Association of North Dakota. There will be reports from different parts of the state by directors of this association which will turn one of the sessions of the convention into a practical farm improvement meeting. "Farmer" Joseph Chapman, Jr. of Minneapolis will speak on "Financing and Agricultural Community," and C. W. Ross of Grand Forks will report for the chapters of the A. I. B. Two other important addresses will be "The Banker's Mission" by F. W. Vail of Milnor, and one on "Farmers Clubs" by the Hon. Henry Hale of Devils Lake.

Chairman Arthur Reynolds of the A. B. A. executive council has promised to be present and to deliver an address upon association subjects. There will be an interesting address on the subject of dairying, which has come to be an important industry in North Dakota, and reports from the standing committees and elected officers, with a general movement toward securing legislative action in driving out all "Blue Sky" investment companies which have found North Dakota fat picking for the sale of fake stocks and bonds. The Kansas law will be held up as an ideal on this subject. It is said that the educational committee will direct nearly all of its attention this year to the better farm movement which so deeply concerns the entire state.

Group meetings will be held in North Dakota at Fargo on April 11th; at Minot on April 17th and at Jamestown probably the last week in this month. Quite a chapter movement has been on in the state and during March organizations were effected at Fargo, Moorhead, Grand Forks and East Grand Forks, all of which will be consolidated into one chapter. A club room has been leased at Fargo which will be the headquarters of the association.

WILL STUDY FOREIGN RURAL BANK WAYS

Nashville, Tenn.—A conference representing twenty states, which has been in session here several days under the chairmanship of David Lubin of Rome, studying rural banking systems of foreign countries, has adopted a resolution recommending the southern commercial congress this summer to send a select committee to Europe, preferably two members from each southern state, to conduct a careful investigation into rural banking systems abroad.

ASSOCIATION OF COMMERCE NOON-DAY MEETING

A meeting of the ways and means committee of the Chicago Association of Commerce was held in the main dining-room of the LaSalle Hotel on Wednesday of this week at 12:15. This meeting was called for the purpose of considering banking legislation for Illinois as related to the supervision and inspection by the state over private banks and so-called "blue sky" investment companies. The following were invited to seats at the speakers table: Judge S. B. Montgomery, Quincy; J. D. Phillips, vice-president of the Illinois Bankers Association, Green Valley; Henry Henschen, cashier of the State Bank of Chicago; H. R. Kent, cashier of the Fort Dearborn National; W. G. Schroeder, vice-president of the Continental and Commercial; L. H. Grimme, cashier of the National City Bank; J. Fletcher Farrell, vice-president of the Fort Dearborn, and treasurer of the American Bankers Association. All of the bank presidents of Chicago were invited to attend this meeting, as well as the members of subdivisions numbers 11 and 32 of the Association of Commerce. J. H. Rife, state bank examiner; J. B. McDougall, clearing house examiner in Chicago, and Owen T. Reeves, Jr., national bank examiner, also were present. Addresses were made by B. F. Harris, president of the Illinois Bankers Association; Gates A. Ryther, vice-president of the Live Stock Exchange National; Dan Norman, assistant cashier of the Continental and Commercial; L. A. Goddard, president of the State Bank; William R. Dawes, vice-president of the Central Trust Company; Lovett M. Wood, just back from a visit to the Orient, and commercial agent, bureau of manufactures, department of commerce and labor, and W. T. Abbott, vice-president of the Central Trust Company, extracts from which will be found in another portion of this paper.

MEMPHIS BANK MERGER

Plans are maturing for a merger of the State National Bank, the Central Bank and Trust Company, and the United States Savings and Trust Company—all of Memphis, Tenn. The combination will operate as two institutions owned by the same stockholders, to be called Central State National Bank and Central State Savings and Trust Company. The combined capital and surplus of the new institutions will be \$1,350,000, with deposits of about \$6,500,000.

N. C. Perkins, president of the Central Bank and Trust Company, will be president of the new institutions, which will be the largest banking unit in Memphis. M. G. Buckingham, cashier of the State National, one of the oldest banks here, was active in the negotiations, and will be prominent in the new bank.

It is believed that at least one other Memphis institution will eventually be included in the deal.

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Pacific Northwest Banking News

Spokane, April 9.—“Business all over the country shows a recovery of confidence,” said Thomas H. Brewer, president of the Fidelity National Bank of Spokane, on returning from a trip through the eastern and middle western states, “and,” he added, “there is more general commercial activity than has been in evidence in months.”

Mr. Brewer said the East recognizes more than does the West the influence on business, which the opening of the Panama Canal will have in this country. “This means,” he observed, “that lumber will come into its own within two years. With wider markets there will be better prices, which means that the 400 mills in the Inland Empire will be taxed to capacity.”

“The banks of the country have plenty of money, and any man with the right kind of a proposition can borrow at a reasonable rate,” he continued. “This is not only true of the western country, but is also a fact in the eastern and central states.”

“One of the most striking indications of the good feeling is the activity in the soft coal fields of the east and central states. The strikes in England have caused the price of coal to go up, and the operators are working almost to capacity and receiving good prices.”

Coast Cities Prosperous

Robert B. Paterson, president of the Spokane Dry Goods Company, a million dollar wholesale house, who has just returned from a stay of six weeks on the Pacific Coast, said in an interview:

“The coast cities, on the whole, are prosperous, especially southern California. I visited points of interest and found preparations for 1912 and 1913 going ahead with enthusiasm. However, I saw nothing justifying a future growth and development beyond that of the Inland Empire, and I am confident that the prospects for the Spokane country are as good as anywhere.”

“Business throughout the Northwest is increasing in all lines. The most encouraging signs are the reports from the surrounding communities. These are uniformly bright as to crop prospects. The country is jubilant over the crop situation and among the merchants there is a decided feeling of optimism and expectancy. Looking at the situation as a whole from coast to coast there is every indication we will have a good season’s business this year. Already the comparative statements of a year ago, show 1912 taking advance steps.”

Forger in Hospital for the Insane

J. M. Ward, wanted in several cities of the Northwest on charges of forgery, has been committed to the eastern Washington hospital for the insane at Medical Lake, west of here. He was arrested at Cheyenne, Wyo., last December, after being traced twice across the continent by the officials of Yakima county.

Banking Notes

Eleanor Laidlaw, daughter of Mr. and Mrs. Andrew Laidlaw of Spokane, and H. C. Gordon, treasurer of the National Finance Company of Vancouver, B. C., were married at the home of the bride’s parents the evening of March 26th. Mr. Laidlaw’s gift to the couple is a house ready for occupancy, at Vancouver, where they will make their home.

Judge J. D. Hinkle in the Spokane county superior court sentenced C. W. Johnson to a term of from six months to twenty years in the state penitentiary. He was convicted on the charge of forgery in the superior court here March 4th.

W. A. Shepard, formerly connected with the Northern Trust Company of Chicago, has come to Spokane as auditor of the Union Trust and Savings Bank.

Edwin T. Coman, president of the Exchange National Bank of Spokane, and his family, have returned from a stay of three months in southern California.

D. W. Twohy, president of the Old National Bank, has returned from a visit of two

months in Hawaii and the Pacific Coast. He was accompanied by his family.

Frank D. Brundage, assistant manager of the letters of credit and travelers’ check department of Knauth, Nachod & Kuhne of New York, was in Spokane April 3d to 5th, on the last lap of a tour of the United States.

Miss Hester Phy and O. M. Greene, assistant to the president of the Exchange National Bank of Spokane, were married at Portland, March 30th. Mr. Greene came to Spokane from Minneapolis three years ago.

M. M. Cook, cashier of the National Bank of Commerce, has returned home from a trip along the Pacific Coast.

Seattle

Business conditions in Seattle are shown to be decidedly better now than they were in 1911 by a comparison of figures giving the totals of banking, real estate sales and building operations for the first quarter of the two years. A very substantial gain is shown in all three lines, thus giving evidence that the city is rapidly overcoming the effects of the depression of the last two or three years. Bank clearings for the first quarter of this year were \$136,771,277, as against an aggregate of \$127,549,869 for the first three months of 1911; building permits were \$2,097,740 and \$1,734,885 for the corresponding periods, while the total value of real estate transferred was \$7,099,783.11 this year and \$6,170,320.88 in 1911. A remarkable feature of the past month’s building operations was the number of garages started. The enormous increase in number of automobiles and delivery trucks coming into use in Seattle has necessitated the securing of larger quarters by nearly all the big agencies located here, and in numerous instances the agents are having new buildings erected which are designed to meet their requirements for a number of years. Three extra large garages were built or started during the month at a total cost of \$100,000, and plans have just been started on another to cost between \$30,000 and \$35,000.

Seattle Credit Men’s Association, in which the banks of the city are well represented, has been merged with the Seattle Merchants’ Association and the amalgamated organization incorporated as the Seattle Association of Credit Men. Officers elected are as follows: President, E. G. Anderson; Vice-President, E. Morganstern; Trustees, E. G. Anderson, George J. Black, E. Morganstern, J. W. Spangler, A. E. Knoff, J. T. Hardeman, Leroy Delong, H. E. Jones and Ralph Stacy. I. H. Jennings was elected permanent secretary.

A. M. Haskell, formerly of Wakefield, Neb., has purchased the interest of Frank Smith in the State Bank of Carthage, S. D., and has taken up his residence there. He will become assistant cashier.



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or interest on any bond
we have sold.

TALKS ON BANK ADVERTISING

Russell Lowry, cashier of the American National Bank, San Francisco, Cal., was a speaker at the weekly luncheon of the San Francisco Advertising Association last week. In a paper entitled "The Problem of Bank Advertising," Mr. Lowry said that the prejudice against bank advertising is breaking down under the pressure of competition and that those houses which have been most progressive in advertising have found it profitable. Bank advertising he likened to a course for the education of the public to a knowledge of the standing, service, facilities and spirit of the business. Banking is a business, not a profession, and its principles are as simple and as easily comprehended as those of any other business. Now, there is no reason that I know of why the banker should not tell the people, through the medium of printer's ink, just what he does, and why he does it, and precisely what value the banking service has to the community in general and to the banking customer in particular. This brings us to the second part of our problem: What shall a bank advertise?

Advertising is salesmanship, we are told, and it is pertinent to inquire what a bank has to sell. Briefly, the thing it sells is service. The banker should find what prospective customers desire in the bank of their choice, and then show by his advertising how the bank can supply that want. In spite of drawbacks, the cause of bank advertising is making some headway. There are signs of an awakening, and the subject is receiving more serious thought and study, especially among the younger generation of banking men.

CREDITORS GET \$100,000

Detroit, Mich.—Judge Angell has issued an order distributing \$100,000 of the funds of the Michigan Savings and Loan Company, bankrupt, whose affairs have been in the courts for years. The order marks the beginning of the closing up of the affairs of the concern.

There is \$129,591.19 in the hands of the receiver at the present time, and no claims outstanding with the exception of administration expenses and the claim of the Rochester Savings and Loan Company, yet to be proved, amounting to only \$2,874.26.

The receivers still have claims pending against several former stockholders in the corporation, who drew out funds after the company was insolvent and these cases will be fought through the courts. The payments due these creditors will be withheld until the affairs of the concern are straightened out. The stockholders in the corporation at the time its insolvency was declared, and those who have paid the claims against them, will all share proportionately in the division of the \$100,000.

A charter was issued March 25th to the Security National Bank at Pasadena, Cal., with a capital of \$100,000. Ernest H. May is president and N. E. MacBeth, cashier.

Indiana

Announcement has been made of the merger of the Marion Trust Company and the German-American Trust Company, to take effect June 29, 1912, in a new trust company to be known as the Fletcher Trust Company. The combined assets of the two institutions, including the added capital, will be in excess of \$10,000,000, with a capital stock of \$1,500,000 and a surplus of \$150,000.

Evans Woolen, vice-president and counsel of the Fletcher American National Bank, will be president of the Fletcher Trust Company, and Albert E. Metzger, president of the German-American Trust Company, and Hugh Dougherty, president of the Marion Trust Company, will be vice-presidents. No change in the employees of the two trust companies is now contemplated, it is stated, and as far as the present plans go, the entire forces as they are now constituted will be retained by the new company.

The officers of the company have not yet settled the question of the location of the Fletcher Trust Company. Tentative plans for a new building are being considered, but have not been acted on. The new company will be controlled by Stoughton A. Fletcher, president of the Fletcher American National Bank, and Albert E. Metzger, who together will hold two-thirds of the capital stock. May 13th has been set as the date for the meeting of stockholders to vote on the merger, but as most of the stock is held by the men interested in promoting the merger the meeting will be merely a formal matter.

H. L. Arnold, chief clerk in the bank department in the office of the auditor of state, Indianapolis, has compiled the reports of 312 state banks, as returned February 20th. The total resources amounted to \$87,307,264.37, or an increase of approximately \$10,000,000 over the total resources for the 291 state banks in existence on March 7, 1911, the nearest date for annual comparison. The capital stock of the banks showed an increase of approximately \$670,000.

The resources February 20th were distributed as follows: Loans and discounts, \$58,277,151.30; overdrafts, \$249,561.49; United States bonds, \$315,442.56; other stocks and bonds, \$185,218.86; due from banks and bankers, \$16,627,518.52; banking houses, \$1,340,981.64; other real estate, \$165,468.30; furniture and fixtures, \$768,881.27; current expenses, \$274,938.25; premiums, \$33,330.89; cash on hand, \$3,539,522.87; cash items, \$277,714.91; miscellaneous, \$277,933.91.

The liabilities were distributed as follows: Capital stock paid in, \$12,190,963.20; surplus, \$3,220,180.91; undivided profits, \$661,495.80; discount, exchange, and interest, \$854,540.18; profit and loss, \$11,063.77; dividends unpaid, \$17,926.50; individual deposits on demand, \$53,288,337.37; individual deposits on time, \$15,040,486.42; certified checks, \$20,289.68; cashier's checks outstanding, \$114,741.62; due to banks and bankers and trust companies,

\$1,494,605.20; notes and bills rediscounted, \$29,326.19; bills payable, \$236,500; miscellaneous, \$126,807.53; total, \$87,307,264.37.

The report of the postal savings bank of the Indianapolis postoffice for the month of March shows that \$84,558 has been deposited since the bank was opened. Ninety-seven new accounts were opened during the month, and sixty-seven were closed. The number of accounts remaining open was 806. There were 585 deposits made, aggregating \$12,524. Approximately \$5,000 was withdrawn, showing a substantial increase in the amount of funds being handled by the department.

NEW YORK BANK MERGER

New York City, April 9.—Negotiations on the part of several large stockholders to bring about a merger of the Mercantile National Bank with the Irving National Exchange Bank have been completed. For the present it is intended to run the two banks separately. It is stated by the stockholders interested in this deal that Lewis E. Pierson, president of the Irving National Exchange Bank, will head the new institution.

Willis G. Nash, president of the Mercantile National Bank, authorizes the following statement:

"A controlling interest in the Mercantile National Bank has been purchased by Seth M. Milliken, its former president, F. W. Woolworth and their associates. The stock purchased constitutes the bulk of the Gould holdings, although Edwin Gould will continue a member of the board of directors.

"Present officers will remain with the bank in their existing positions, the only change in the status of the bank, other than stock ownership, being in the directorate, the following five new members having been elected this afternoon: E. R. Stettinius, president of the Diamond Match Company; Mortimer B. Fuller, president of the International Salt Company; Carson C. Peck, vice-president of the F. W. Woolworth Company; Harry Balfe, of Austin, Nichols & Co.; and Frederick G. Lee, president of the Broadway Trust Company. Members of the old board who were re-elected are: William Skinner, Edwin Gould, W. H. Taylor, W. F. Carlton, Harold A. Hatch, Charles E. Perkins, Willis G. Nash, R. L. Beekman, Sidney Z. Mitchell, and Charles H. Imhoff."

DEPARTMENT STORE BANKING ILLEGAL

In response to inquiry from Superintendent Van Tuyl of the New York state banking department, Attorney-General Carmody has delivered opinion holding that department stores cannot lawfully solicit money deposits on which interest is paid, as this is a form of banking.

A charter has been issued to the Latimer County National of Wilburton, Okla., capital \$25,000.

JOHN McHUGH - President
 JOHN J. LARGE - V.-Pres.
 W. L. MONTGOMERY, V.-Pres.
 HENRY G. WEARE - V.-Pres.
 F. A. McCORNACK - V.-Pres.
 H. A. GOOCH - Cashier
 O. D. PETTIT - Asst. Cashier
 FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
 BUSINESS AND OFFER
 YOU EXCEPTIONAL
 FACILITIES. CORRE-
 SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
 Excellent Collection Facilities

ARTHUR REYNOLDS, President
 J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
 C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
 W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
 C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
 Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
 Savings Bank that Makes a Specialty of
 Collections and Bank Accounts

Largest Bank in Clinton
 County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
 35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VECHTEN, President
 GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
 KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Des Moines, April 10.—Cedar Rapids bankers are making elaborate arrangements for taking care of the bankers of Iowa, when the association meets there, June 5th and 6th. The committees which are in charge of the various features of the convention have been named as follows: Entertainment, Lew W. Anderson, chairman, Martin Newcomer, C. B. Robbins, Walter L. Cherry, Ernest R. Moore; Hotel, Ed. B. Zbanek, chairman, W. J. Elliott, Joseph W. Lesinger, H. Pitner; Ladies Entertainment: E. M. Scott, J. M. Dinwiddie; Reception, K. C. Ferman, chairman assisted by every banker in Cedar Rapids. Bankers at Davenport have raised strenuous objection to the dates selected for the convention. It is the same time that the Elks hold their state convention in Davenport. However, the Cedar Rapids bankers say it is impossible to change the dates now. Davenport bankers are boosting D. H. McKee for member of the executive council of the A. B. A., so they are naturally taking exceptional interest in events at Cedar Rapids.

Political Situation at Coming Convention

The political situation anent the coming convention is warming up a trifle. It appeared for a time that the contest would be for the treasurership of the association, but there are indications now that there will also be a scrap for presidency. Charles Shade, president of the First National at Rock Rapids, who was thought to be unopposed, is likely now to have opposition from Charles Ellis, president of the First National at Charles City, according to gossip that reaches Des Moines. D. H. McKee of Davenport and J. M. Dinwiddie of Cedar Rapids are being boomed for member of the executive council. It is probable that there will be a lively contest for location of the 1913 convention too as Fort Dodge, Dubuque, Marshalltown, and Des Moines have all thrown their hats in the ring.

Cedar Rapids Admen's Club Meeting

The Cedar Rapids Admen's Club has followed the lead of the Des Moines Admen, and last week held an interesting discussion of "Bank Advertising." J. M. Dinwiddie read a paper on "Why the Bank Should Advertise." He took up the phases of the advertising of financial institutions in a strong, but conservative manner, and advocated bank advertising as one means of saving people from grafters, and blue sky investments. C. E. Auracher led the discussion on the question. Homer Pitner read a paper on "What the Bank Should Advertise." He took up the question of forms of appeal to men, women and children, to the savers of small sums, and those who have larger sums to invest; service to depositors, personnel of bank and office, rewards, of saving, vault service, safety, convertibility, etc. Leroy Kling led the discussion. John Burianek read the paper on, "How the Bank Should Advertise." He took up the style of copy, illustrations,

amount of space, frequency of insertion, methods of following up advertising, co-operation, etc. Frank Filip led the discussion. As will be seen these were timely subjects of especial interest to bankers. They were well handled, and the meeting was one of immense profit and interest.

New Building for Mechanics Savings

Gilger E. MacKinnon, president of the Mechanics Savings, Des Moines has let the contract for the new structure, which that institution will occupy about September 15th. The work will start May 1st, in charge of W. F. Mitchell, Des Moines, contractor. The new home will be just adjoining the present home of the institution in the Manhattan Building. It will be diagonally across the street from the new Central State building, which is making rapid progress. These two bank buildings will be decided improvements to the Des Moines business district.

Travelers Unheard From

Friends in central Iowa have been somewhat alarmed over the continued absence of S. L. Moore, president of the First National of Boone, and his daughter, Miss Louise Moore, who left some time ago on a trip to South America, thence to points in Spain, France and England. They were last heard from at Valparaiso, and then communication ceased. While relatives do not believe that anything has happened, they would nevertheless feel easier if they should receive word of some sort from the tourists.

Private Bank Failure

Another argument in favor of state supervision of private banks is reported from Story City, where the Citizens Bank closed last week, while M. J. Swan, the cashier took a trip to parts unknown. His father, John Swan, president of the institution, is quite wealthy, and it is thought that he will make good with the depositors. It is thought that the cashier had been speculating. His wife, a young woman of 25, was prostrated, when she heard of her husband's escapade. People at Story City were inclined to be lenient with the father, and no special excitement followed the closing of the institution.

Gain from Postal Savings Deposits

John A. Elliott, cashier of the Commercial Savings, Des Moines, believes that the banks of the state have gained fully \$40,000 as the result of the opening of the postal savings banks in Iowa. He makes an estimate that this amount has been brought forth from tin cans and old stockings, deposited in the postoffice banks, and by them redeposited with the regular institutions. So far as Iowa is concerned, the benefit from this source has been less than in the eastern states, where there are more foreigners. Most Iowans are too well educated to doubt that their savings in the banks are safe, and it is believed that the tomato can

The comptroller of the currency has approved the application to organize the Citizens National Bank of Hammond, New York, capital \$25,000.

bank does less business in this state than any other in the Union.

Sentenced to Five Years

Glenn Gulliver of Osage was found guilty of assaulting the cashier of the Bank of Orchard in an attempt to rob the institution, and was sentenced to do five years in the penitentiary, and pay a fine of \$1,000. His conviction followed a sensational trial at which Gulliver tried to prove an alibi. The attempted robbery occurred in broad daylight one afternoon, just as the employees were putting the money away at the close of business.

Exact Increase in Clearings Following New Order

Members of the Des Moines Clearing House Association are expecting a big increase in clearings following an order from the postoffice department for the Des Moines office to pay off the rural carriers of the state through the Des Moines office instead of via the Chicago subtreasury as heretofore. This will add fully \$2,500,000 to the annual bank clearings of the city, it is estimated. The pay-roll for the rural carriers in Iowa amounts to about \$200,000 per month. All of the surplus funds from the offices over the state will be remitted to Des Moines, and the drafts will be drawn in this city beginning this month.

Honor Eldridge Banker

The German Savings at Eldridge passed this resolution of respect for the late Herman Schneckloth; "Whereas, Herman Schneckloth has departed this life, and whereas, Herman Schneckloth, has, through his efforts and his devotion to the interests of the bank aided the German Savings Bank of Eldridge, Iowa, to attain its present prosperous condition, now, therefore, be it resolved, that we, his co-directors, offer our sympathy and condolence, realizing we have lost a good friend and faithful worker. We herewith express in a feeble way our appreciation of him, and through this expression in our feeble way to try to assuage the sorrow and grief of his family and friends."

Automobiles not Hindering Bank Deposits

Edward A. Slininger of the Peoples Savings, Des Moines, in a recent newspaper interview discussed at some length upon the fact that although Iowa has \$30,000,000 or more tied up in automobiles, the bank deposits of her citizens continue to increase. Mr. Slininger believes that much of this money would be invested in something else if it were not in automobiles, and that it probably would not be reposing in the bank vaults under any circumstances. And as it is, much of the money that is invested for automobiles remains in Iowa even though most of the factories are located outside the state.

Banking Notes

The bankers of the tri-cities, Davenport, Rock Island, and Moline, held the first social session of the season at the Kimball Hotel in Davenport one night last week. Business affairs were not discussed, and it proved a delightful social evening.

Postal savings banks will be established May 1st at Cantrill, Danville, Douds, Leando, East Pleasant Plain, Grandview, Hillsboro, Linby, Middletown, Montrose, Sterling, Olds, Packwood, Rome, Roscoe, Salem, Sperry, Stockport, Wayland, West Burlington, Wever, Wyman, Yarmouth.

E. R. Campbell, assistant cashier of the Commercial National of Fort Dodge and Mary J. Crowley, assistant cashier of the Farmers Savings of Ruthven were out of the city bankers in Des Moines last week.

Howard Lyford, cashier of the Farmers and Merchants at Manly has sold his interests to

a Mr. Lease of Marshalltown according to meager reports, which have reached Des Moines.

Des Moines bank clerks have organized a baseball team, and will participate this summer in the schedule arranged for teams in the Commercial League.

The Farmers Savings of Exira is a new institution soon to start with a capital stock of \$30,000. Nels P. Hough is president.

The German Savings at Davenport is planning to move into its handsome new building April 15th. The Northwest Davenport Savings is preparing to ask bids for the construction of a new building for its occupancy.

The German-American Savings at Lamotte has increased its capital stock from \$10,000 to \$20,000. The State of Rock Valley has increased its capital from \$25,000 to \$35,000.

The Farmers Savings at Percival has filed articles of incorporation giving capital stock of \$10,000. Incorporators are C. E. Sheldon, A. C. Rogers and T. E. Stiles.

Sioux City

By JOHN J. BIDDISON.

A permit to smoke has been granted to Geo. S. Parker, president of the Live Stock National. This is not of the much advertised, but a sure enough permit, signed and sealed by two business men of Sioux City. Mr. Parker is permitted to smoke from the time he left the city limits Sunday morning with a private car of local live stock commission men bound for a ten days' trip through South Dakota, Wyoming and Montana, to the time he returns again to the confines of his home town. Behind the permit lies a story.

On the first of January, 1912, Mr. Parker, F. L. Hutchins, vice-president of the Curtis Sash and Door Company, and D. S. Lewis, a real estate operator, met at the Hawkeye Club, and made a wager that the first one of them within the year to take a puff of tobacco smoke should forfeit to the other two \$100. Being a set of good sports, Mr. Hutchins and Mr. Lewis realized that Mr. Parker stood in grave danger of falling from grace on this trip, where conviviality was to be the watchword, so they drew up an imposing document releasing him for the time being from the requirements of his wager. It was done without his knowledge, and the paper was placed in the hands of another member of the party, to be presented to Mr. Parker after he had left the city.

Bankers Hear R. W. Bonynge

Bankers and a few others were auditors last week of an address delivered in the Auditorium, by Robert W. Bonynge, of Denver, member of the National Monetary Commission, who spoke in explanation of the Aldrich currency plan. Mr. Bonynge's topic was "Proposed Banking Reform." He spoke under the auspices of the Commercial Club.

John J. Large Given Charge of Campaign

John J. Large, vice-president of the First National, has been commissioned to take charge of a membership campaign about to be started by the Commercial Club, which will, within the next year, move into new and much larger quarters to be specially built for it, as a permanent home. Mr. Large's plan is to put through a campaign of the "whirlwind" variety, and bring the membership to 1,000 or more.

A. W. Smith

A. W. Smith, assistant cashier of the Live Stock National, has taken the place of manager of the clearing house made vacant by the removal from the city of Clifford Atkinson.

Depositors Will Lose Heavily

A trail of broken-hearted working girls, mostly Scandinavians, who had all their savings in the Citizens Bank, of Story, Iowa, and a despairing wife, who was left alone to bear the sufferings of childbirth, has been left by M. J. Swan, cashier of the bank, who disappeared while his father, John Swan, president of the bank, went to Chicago to investigate a mysterious shortage. The father went ostensibly to make a settlement with an eastern creditor on account of an overdraft. He found that the bank had \$10,000 less than he thought it had, and it is feared that spurious paper will make the real shortage amount to \$45,000. Mr. Swan, Sr., did not know of his son's disappearance until he returned. A preliminary examination by expert accountants leads them to believe that the bank cannot reopen, and that the depositors will lose heavily. The young man is said to have speculated heavily. His wife is prostrated.

John McHugh at Excelsior Springs

John McHugh, president of the First National Bank, with his wife and daughter, are in Excelsior Springs, Mo., for a week.

Denies Charges

Floyd Headlee, the St. Onge, S. D., banker who has been sued by Miss Anna L. Ballman, a St. Louis shop girl, for \$25,000 damages for breach of promise, has filed an answer in federal court denying all her allegations.

Among the Visiting Bankers

C. H. Royce, cashier of the Sibley State Bank, Sibley, Iowa, was in Sioux City Thursday.

Herman Fortin, cashier of the Farmers Bank, Salix, Iowa, was in Sioux City Friday.

W. H. Johnson, president of the State Savings Bank, of Logan, Iowa, was transacting business in Sioux City Monday.

H. F. Frazier, cashier of the Magnolia Savings Bank, Magnolia, Iowa, was in Sioux City on business Monday.

W. S. Weston, vice-president of the First National, Hartington, Nebraska, was in Sioux City Tuesday.

PENNSYLVANIA BANKING LAW

Harrisburg, April 8.—In his annual report to the governor of Pennsylvania, State Banking Commissioner W. H. Smith recommends the passage of a law giving his department authority to liquidate insolvent corporations. He claims that the legislature has placed upon his department a great responsibility, and that in the exercise of that responsibility the department should be given the necessary authority to enforce the police power, which it is supposed to possess. He also asks that his department be given the power to hold to stricter accountability those banking corporations, which in its judgment may be doing an unsafe and unsound business. These statements follow a review of the causes leading up to the suspension of the Tradesmen's Trust Company, which he says, had been warned that its policy and business methods were dangerous.

The annual report shows his department has supervision over 486 institutions, of which 288 are trust companies. During the year the examiners made 1,771 examinations, which yielded \$53,920.88 in fees. The total cost of operating the department was \$93,783.67.

Petaluma, Cal.—The stockholders of the Petaluma Savings Bank have changed the articles of incorporation. Instead of having 4,000 shares of stock of the par value of \$25 each the capital stock will consist of 1,000 shares of the par value of \$100.

CHAPTER NEWS

CHICAGO CHAPTER, A. I. B.

By OTTO J. KRAMPIKOWSKY.

Owing to April 9th being a holiday, (Primary day) the regular meeting of Chicago Chapter, A. I. B., was held Friday evening, April 12th, at 8 o'clock, in Assembly Hall, Northwestern University Building. This meeting was well attended, especially in view of the fact that it was "Ladies Night."

Prof. J. Paul Goode of the University of Chicago, lectured on "Industrial Japan." Dancing followed.

Debating Society

The last lecture of Prof. Kline will be given before this society on Tuesday April 16th.

Salt Lake City Convention

Mr. George A. Jackson, chief clerk of the Continental and Commercial National Bank, chairman of the transportation committee reports that the usual application has been made to the various passenger associations for reduced fares for the Salt Lake City convention, to be held August 21st, 22d, and 23d, but that up to the present time it has not been acted upon, although the members will be advised definitely within the next two or three weeks as to the decision of the passenger associations.

SAN FRANCISCO CHAPTER

Thomas G. Spillane, of the Bank of California, was elected president of the San Francisco Chapter, American Institute of Banking, at the annual election recently. M. R. Clark, of the First Federal Trust Company, was elected vice-president, and William A. Marcus, of the Savings Union Bank and Trust Company, was elected secretary and treasurer. The chapter also elected six members of the Board of Governors and eight delegates to the annual convention to be held in Salt Lake City. The members of the Chapter then listened to an address by the Hon. Duncan McKinley on the Panama Canal and to a brief outline of the purpose of the National Citizens League by Secretary Charles Musaus.

SPEEDY WORK ON ADDING MACHINES

Oakland, Cal.—W. A. Stuart of the Central National Bank of Oakland won first place in the annual adding machine contest directed by the Oakland Chapter of the American Institute of Banking. His time for adding 150 checks was two minutes, 38 seconds. P. E. Jacobus of the Oakland Bank of Savings and W. S. Quan of the First National Bank were second and third respectively. Arrangements are now being made for an inter-city contest with a team of three from the San Francisco Chapter.

FINGER PRINTS FOR SIGNATURES

Boston, Mass.—The latest wrinkle in Boston banking circles is to have your finger print taken before you draw money from your bank. This new plan for the identification of depositors has just been installed in the Wildey Savings Bank. It is to be used when customers cannot write or when the signature is not legible. The polite clerk at the Wildey Savings Bank finger print window will give you a slightly inked glass. "Ink" your finger here," he will request. You "ink" your finger tips, then press them on paper and the bank

has your finger signature, which never varies and cannot be forged. The other banking institutions are watching the innovation with interest, and if it proves a success they will adopt it.

SEATTLE BANKERS BANQUET

The second annual banquet of the Seattle Chapter of the American Institute of Banking, attended by more than 300 men of all departments of banking was held at the New Washington, Seattle, March 28th. The relation of the banker to the public and to the community was discussed from different view points. Mayor Cotterill was the guest of honor.

POSTOFFICE BANK IN GERMANY

The turnover of the postoffice banking business in Germany last year amounted to \$5,908,000,000, or 36 per cent more than for 1910. The number of persons and firms holding open accounts with the postoffice has risen to 62,450, there having been a gain of 71 per cent in two years. About three-fourths of the account holders are business firms and companies. The chief purpose in view when this system was established experimentally three years ago was to facilitate payments of small sums at a distance with less trouble to senders and to postoffice officials than through the customary money order system. The extensive use of these accounts for this purpose is clearly evident from the large number of entries on them; the average in 1911 was 1,425 entries on each account. At the end of December the amounts of deposits on them showed an aggregate of \$33,000,000, which was more than twice the total of two years ago. The government is now asking the Reichstag to pass a bill to establish the postoffice banking department on a legal basis.

SCRIBNER IMPORTATIONS

The leading Scribner importations of the month of April are "On the Backwaters of the Nile," studies of some child races of Central Africa, by A. L. Kitching; "Rembrandt's Etchings," an essay and a catalogue of the etchings of Rembrandt, with some notes on the drawings by Arthur M. Hind; "Scented Isles and Coral Gardens," an entertaining account of the travels in the Torres Straits, German New Guinea, Dutch East Indies, China and Japan, by C. D. Mackellar; "Higher Aspects of Greek Religion," by L. R. Farnell, a consideration of the higher social aspects of Greek polytheism as contrasted with early Christianity; "The Development and Rise of the Opera," by Joseph Goddard; "Brahms' Vocal Works," a handbook by Edwin Evans; and "Causeries on English Pewter," by Antonio DeNavarro.

INDIAN LAND CASES OVER UNTIL OCTOBER

United States District Attorney C. C. Houpt to-day announced that stipulation has been entered into for continuing until the October term of the federal district court the trials of M. J. Kolb and L. S. Waller, bankers, who are charged by the government with conspiracy in obtaining allotments of land from White Earth Indians. These cases will be tried at Fergus Falls.

IOWA FARMERS FINANCIERS

Des Moines, Iowa.—Farmers have become the real financiers of Iowa. Where once the Iowa farmer was borrowing money, he is lending it.

C. T. Cole, vice-president of the Valley National bank, says there is 50 per cent less borrowing among the farmers this year than formerly.

This he attributes not to any phenomenal crop condition of the last few years, but to a gradual and persistent improvement which dates to no particular time. Mr. Cole said that his judgment of the condition among the farmers is formed from bankers in the smaller cities who are in close touch with the agricultural situation. Last year, particularly, cannot be said to have been a good year for crops, but the farmer has not been embarrassed. He has become prepared to meet such emergencies.

"Live stock is scarce this year," declared Mr. Cole. He attributes this condition not to scarcity of feed nor to short pastures last summer, but rather to the high price of corn. "Farmers, for instance, are reluctant to take the chance of turning 75 per cent corn into pork," he said. "The farmer knows what the corn is bringing him. He is not always sure about the pork. Pork markets fluctuate. Corn prices once made are fixed."

Mr. Cole, however, expressed the belief that the man who sticks to live-stock and is not swayed by the changing market conditions will win in the end.

From another source it is learned that farmers are continuing the improvement to buildings and stock which has characterized the Iowa agriculturist and that they are drawing on their own resources in making these improvements.

NEW LOS ANGELES BANK

Los Angeles.—The First National Bank of Van Nuys opened its doors for business on Saturday, March 30th, with a paid-up capital of \$50,000, and a surplus of \$5000. It occupies its own building at southwest corner of Sherman way and Virginia St. H. J. Whitley, promoter and developer of the Van Nuys-Lankershim lands, is president; J. H. Heinen and O. J. Wigdahl, vice-presidents, and L. E. Bliss, cashier; directors—G. M. H. Sherman, H. J. Heinen, Harry Chandler, H. J. Whitley, O. J. Wigdahl, George Hanna, D. F. Hill, R. P. Sherman, F. X. Paffinger, S. O. Houghton, W. F. Hopper, R. E. Whitley, A. J. Pickrell, W. P. Whitsett and Lewis E. Bliss.

BANK DIVIDEND

The stockholders of the Texas Loan and Guaranty Company received checks last week for the usual 2 per cent quarterly dividend. This company has had an unbroken dividend record from the first year of its organization, paying 8 per cent annually, or 2 per cent quarterly.

The last statement of the company showed a good surplus and good resources.

BANK WRECKER SENTENCED

Mexico City.—George I. Ham, president of the defunct U. S. Banking Company, has been sentenced to 12 years' imprisonment and three counts of the indictment against him, charging misappropriation of the funds of the institution. He has been confined in the federal district prison since the failure of the bank in January, 1910.

A charter has been issued to the First National Bank of Van Nuys, Cal., with a capital of \$50,000. H. J. Whitley is president and Lewis E. Bliss cashier.

UNCLE SAM IS HARD TO PLEASE.

Are you the same? Then next time you go to *St. Louis*, test the quality of C. & E. I. service. It's the route that takes the mails.

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(Chicago & Eastern Illinois R.R.)

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La Salle Street Station
Tel. Har. 1408. Auto. 53495

A. B. SCHMIDT
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ENGRAVERS**



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and Service*

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CHICAGO**

ANOTHER NATIONAL BANK FOR HOUSTON

Houston, Texas, is to have another national bank. The name of the institution will be the National Bank of Commerce of Houston. The capital stock will be \$500,000 and John M. Logan of Fort Worth will be the cashier. The organization committee numbers five members, as follows: R. C. Duff, M. P. Geiselman and Monta J. Moore, all of Houston; John M. Logan of Fort Worth and C. J. Von Rosenberg of La Grange.

More than half of the capital stock has already been subscribed and preliminary forms have been forwarded to Washington. Officers, other than that of cashier, have not been decided upon, nor has the location of the bank been definitely settled. These matters of detail will be given attention immediately and the bank will open for business as soon as the completed organization can be effected and a permit be secured from the department to do business.

The National Bank of Commerce of Houston will be closely allied with the American Trust Company, the largest guarantee fund state bank now in Texas. All branches of commercial banking and trust business will be bid for by the institutions, and their facilities will be second to none in the Southwest.

John M. Logan is well known throughout the state, having acted as one of the four national bank examiners of Texas for a number of years. No especial effort has been made to place stock in the new bank, and it is likely to be oversubscribed before the end of the coming week.

PORTLAND BUSINESS CONDITIONS

Portland, Ore.—Portland's commercial activity during the month has been extremely satisfactory, statistics showing that all lines of business were, on the whole, better than they were the corresponding month of last year. There were substantial gains in most of the important activities. Commercially and industrially, Portland is making excellent progress. There is a feeling of good times upon the city, notwithstanding the disturbing influence of the political campaign. Bank clearings, postal receipts, realty transfers, lumber shipments and the foreign wheat trade made big gains. Building permits exceed the number issued in March, 1911, although the total valuation was a trifle less.

C. J. Weiser

In the opinion of C. J. Weiser, president of the Winneshiek County State Bank of Decorah, Ia., farmers are losing money by not paying more attention to poultry and eggs. Mr. Weiser, who was in the city recently, to prove his contention that eggs could be made a fruitful source of income mentioned a shipping house in Decorah which handled \$200,000 worth of eggs last year. He said all the eggs were produced locally. The same firm handled 250,000 pounds of poultry in 1911, mostly for shipment to the East.

Seeding is already in progress in Iowa, and if the present brand of weather continues is likely to become general throughout the state during the present week.

CARNEGIE TRUST DIVIDEND

Albany, New York, April 8.—Superintendent Van Tuyl, of the New York state banking department, mailed to-day to over three hundred creditors of the Carnegie Trust Company of New York, which failed on January 7, 1911, a supplemental first dividend of 25 per cent. The dividend checks were sent to those creditors whose accounts had been proven and allowed by the banking department since the date of the payment of the first dividend to general creditors of the institution in May of last year and the amount involved was over \$47,000.

PRIVATE BANK BILL PASSES IN NEW YORK

Albany, N. Y.—Senator Timothy D. Sullivan's bill strengthening the provisions of the law relating to private banks has been passed by the senate. The amendments were drafted by Louis Marshall, who was chairman of the state committee, which investigated the condition of immigrants in New York City.

The bill requires a deposit of \$10,000 from those who apply for licenses, double the amount now required. The applicants are also required to furnish a bond, the penalty of which is to be fixed by the state comptroller from \$10,000 to \$100,000. The bond constitutes a trust fund for the benefit of the depositors.

The bill increases the minimum of money to be deposited with the state comptroller from \$100,000 to \$150,000 by those desiring to

be relieved from compliance with the provisions of the law. The bill also gives the state comptroller power to take possession of the business of an insolvent private banker. If, in the opinion of the comptroller, a continuance of the business would be hazardous. This provision makes the comptroller a receiver to close up the affairs of the private banker without the expensive fees and charges of an ordinary receivership.

STATE BANKS OF MONTANA

An abstract of the aggregate resources and liabilities of the 117 state banks, trust companies and 33 private banks of Montana, according to reports submitted on February 20th, has been issued by C. E. Kumpe, state examiner.

It shows that the combined resources of the Montana state banking institutions on that date were \$46,601,568.80, made up as follows: Loans and discounts, \$27,382,554.19; overdrafts, \$815,604.87; stocks, bonds, securities, \$2,434,468.16; real estate and furniture, \$2,937,079.35; due from banks and bankers, \$9,178,090.16; cash on hand, \$3,500,119.79; checks and cash, \$180,687.61; all other resources, \$172,964.67.

The total capital stock represented by these institutions is \$7,053,880.33; surplus and undivided profits, \$2,514,804.34, and deposits \$34,000,000.

Two new state banks have recently been incorporated, the Ballantine State Bank, capital \$20,000, and the Moccasin State Bank, capital \$20,000.

BANK CONDITIONS IMPROVING

Carson City, Nev.—Eugene Howell, state bank examiner, has just tendered a report to the governor, in which he says in preface: "The State of Nevada is getting on a more prosperous basis and her great resources are being taken hold of in a stronger way. Confidence is being restored, money is easier, and more of it in the banks, which is an index to the situation and conditions as they really exist."

The Wisconsin bankers are making arrangements for a grain and corn exhibition to be held in 1913. They will co-operate with the state bankers association and the agricultural department of the state university.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

SITUATION WANTED

Situation Wanted. by a young man, 19 years of age, with two years experience of general banking, at present employed as book-keeper and clerk, of Scandinavian descent, desires to better his chances of promotion by removing to a newer section of the country, Western Minnesota or North Dakota preferred. All references as to character, habits and ability. Address, A-12, Chicago Banker.

BANK FIXTURES FOR SALE

FOR SALE.—About 40 feet marble fixtures, practically new. Low price. Quick delivery. Can be changed to suit. See sample in this office. Send diagram of your room. For particulars address or call CHICAGO BANKER OFFICE, 407 Monadnock Block, CHICAGO

FOR SALE—Miscellaneous

1-A Reflex, focal plane shutter, Celorix-inch lens. Cost \$84.50. Like new, \$45.00. Address, X-44, Chicago Banker.

1-A Graflex, 1C. Tessar lens, focal plane shutter (new out of stock), value, \$101.50. Sell, \$85.00 Cash. Address, X-55, Chicago Banker.

4x5 Goerz-Argo, latest model, Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$195.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale. 9 1/4-inch Goerz Dagor, Volule shutter. value \$97.50 Sell for \$50.00, like new. Six-inch Dagor, Kollon Shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, advertisements, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safeguard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

History of Banking in the United States. John Jay Knox. \$5.00.

Practical Banking. Claudius B. Patten. \$5.00.

Modern Banking Methods. A. R. Barrett. \$4.00.

Elements of Foreign Exchange. Franklin Escher. \$1.00.

Gold Production and Future Prices. Harrison H. Brace. \$1.50.

Pushing Your Business. T. D. MacGregor. \$1.25.

Economic Causes of Great Fortunes. Anna Youngman. \$1.50.

Neglected Point in Connection with Crises. N. Johannsen. \$1.50.

Monies of the World. James P. Gardner. 50c.

Bankers' and Merchants' Perpetual Maturity Guide. \$5.00.

Trust Companies—Their Organization, Growth and Management. Clay Herriek. \$4.00.

Savings Bank and Its Practical Work. Wm. H. Kniffin, Jr. \$5.00.

Practical Treatise on Banking and Commerce. George Hague. \$3.00.

Banker in Literature. Johnson Brigham. \$2.00.

Bank Directors—Their Powers, Duties and Liabilities. John J. Crawford. 50c.

Credit Currency. Elmer H. Youngman. 50c.

Natural Money. John Raymond Cummings. \$2.00.

Two Thousand Points for Financial Advertising. T. D. MacGregor. \$1.50.

All or any of the above books will be sent, carriage prepaid, by

THE CHICAGO BANKER,

407 Monadnock Building, Chicago.

Department of New Business

NORTHWEST

Ritchey, Mo.—The Bank of Ritchey has been incorporated. D. E. Wasson, G. W. Laurence, J. C. Armstrong and F. L. Denton are interested.

Dundas, Minn.—The State Bank of Dundas is a new institution. J. G. Schmidt is president, and F. W. Shandorf, cashier.

Toledo, Iowa.—The Farmers Savings Bank has opened for business.

Kensal, N. D.—The Security State Bank is new. C. Davison, Jr., and Allen S. Millet, of Corrington and C. F. Ross of Minneapolis are interested.

Hammond, Ind.—The East Side Trust and Savings Bank has been organized. William Herkner, Engelhardt Ulrich, J. C. Becker and J. F. Irish are interested.

Arcola, Ind.—The Arcola State Bank is organizing with the following officers: Dr. C. M. Glock, president; C. H. Felger, vice-president, and Perry Goheen, cashier.

Poneto, Ind.—The Poneto State Bank is new. N. W. Cook is president, and Earl French, cashier.

WEST

Phoenix, Ariz.—The Arizona State Bank and Trust Company has been incorporated here, with a capital stock of \$1,000,000. Among the incorporators are: R. N. Fredericks, H. J. McClung, J. M. Ormsby, Reese Ling and Mose Drachman.

Albuquerque, N. M.—The Citizens Bank has been organized here with a capital stock of \$50,000. Fred H. Kent is president; A. A. Keen, vice-president, and W. A. Fovil, cashier.

Wakefield, Neb.—The Security State Bank has been organized to open about April 1st. C. S. Beebe is to be cashier.

Manhattan, Mont.—The Home State Bank has been organized by Walter White, G. K. Clarke and Jay Curtis.

SOUTH

Morgan City, La.—The People's State and Savings Bank has been organized here with a capital stock of \$40,000. Albert M. Cotton is president; Leon Kahn, C. F. Thibodeaux, W. J. McClellan, Oscar Benor, and Wilbur Kramer, vice-presidents.

Brazoria, Tex.—B. H. Stanger is president, M. L. Weems, vice-president, and E. Wilson, cashier of the new Peoples State Bank.

Springtown, Tex.—The Guaranty State Bank has been organized by C. Malone and J. N. Jenkins.

Cassville, Ga.—The Bank of Cassville has been organized here with a capital stock of \$25,000. W. D. Pittert and others of Cassville are interested.

Union City, Ga.—The Citizens Bank of Union City has obtained a charter. W. E. Moreland, T. J. Todd and J. H. Estes are interested.

Rome, Ga.—The West Loan and Trust Company has obtained a charter. A. S. West is president, and W. S. Rowell, secretary.

Armory, Miss.—The Citizens Savings Bank has been organized. E. W. Flynn, I. W. Beauchamp, W. F. Williams and E. D. Gilmore are interested.

Coldwater, Miss.—The Merchants and Farmers Bank has been organized with W. W. May, president, E. C. Dunn, cashier.

Halchechubbee, Ala.—The Bank of Halchechubbee has been organized with C. D. Rutherford, as president.

EAST

Milford, Va.—The Milford State Bank has been organized with the following officers. W. N. Blatt, president; Walter Wilson, vice-president, and C. R. Dickinson, cashier.

Washington, D. C.—The Munsey Trust Company has been incorporated. Frank A. Munsey, H. N. Clabaugh, W. T. Dewart, S. W. Woodward, John H. Nolan and others are interested.

CANADA

Ottawa, Ont., Can.—The Capital Trust Company has been organized here, with a capitalization of \$2,000,000. Among the organizers are: H. J. O'Brien, Renfrew; W. J. Poupore of Montreal; M. J. Haney, J. J. Seitz and R. P. Gough, of Toronto and others.

Convention Dates

LOUISIANA—Covington, April 26 and 27; Secretary, L. O. Broussard, Abbeville.

NEW JERSEY—Atlantic City, May 3 and 4; Secretary, W. J. Field, Jersey City.

TEXAS—San Antonio, May 7, 8 and 9; Secretary, J. W. Hoopes, Austin.

OKLAHOMA—Tulsa, May 10 and 11; Secretary, W. B. Harrison, Enid.

ALABAMA—Mobile, May 17 and 18; Secretary, McLane Tilton, Jr., Pell City.

MISSOURI—Joplin, May 21 and 22; Secretary, W. F. Keyser, Sedalia.

MISSISSIPPI—Gulfport, May 21, 22 and 23; Secretary, R. Griffith, Vicksburg.

KANSAS—Topeka, May 23 and 24; Secretary, W. W. Bowman, Topeka.

CALIFORNIA—Long Beach, May 23, 24 and 25; Secretary, F. H. Colburn, San Francisco.

GEORGIA—Atlantic Beach, Fla., May 24 and 25; Secretary, L. P. Hillyer, Macon.

ARKANSAS—Little Rock, May 28 and 29; Secretary, Robert E. Wait, Little Rock.

TENNESSEE—Knoxville, May 29 and 30; Secretary, F. M. Mayfield, Nashville.

IOWA—Cedar Rapids, June 5 and 6; Secretary, P. W. Hall, Des Moines.

MICHIGAN—Kalamazoo, June 11, 12 and 13; Secretary, (Mrs.) H. M. Brown, Detroit.

NEW YORK—Buffalo, June 13 and 14; Secretary, William J. Henry, New York City.

MINNESOTA—State Agricultural College, St. Paul, June 14 and 15; Secretary Charles R. Frost, Minneapolis.

IDAHO—Coeur d'Alene, June 17, 18 and 19; Secretary, J. W. Robinson, Boise.

PENNSYLVANIA—Bedford Springs, June 18 and 19; Secretary, D. S. Kloss, Tyrone.

NORTH DAKOTA—Jamestown, June 19 and 20; Secretary, W. C. Macfadden, Fargo.

VIRGINIA—Old Point Comfort, June 20, 21 and 22; Secretary, Walker Scott, Farmville.

MARYLAND—Blue Mountain, June 20, 21 and 22; Secretary, Charles Hann, Baltimore.

OREGON—Portland, June 21 and 22; Secretary, J. L. Hartman, Portland.

SOUTH DAKOTA—Belle Fourche, June 26 and 27; Secretary, J. E. Platt, Clark.

NORTH CAROLINA—Morehead City, June 26, 27 and 28; Secretary, Wm. A. Hunt, Henderson.

WASHINGTON—Tacoma-Olympia, June 27, 28 and 29; Secretary, P. C. Kaufman, Tacoma.

OHIO—Cedar Point, July 2 and 3; Secretary, S. B. Rankin, Charleston.

SOUTH CAROLINA—Charleston, July 5 and 6; Secretary, Lee G. Holleman, Anderson.

WEST VIRGINIA—White Sulphur Springs, July 11 and 12; Secretary, J. S. Hill, Charleston.

WISCONSIN—Milwaukee, July 24 and 25; Secretary, George D. Bartlett, Milwaukee.

American Institute of Banking—Salt Lake City, Utah, August 21, 22 and 23; Secretary, A. C. Dorris, Nashville, Tenn.

American Bankers Association—Detroit, week of September 9-14; Secretary, Fred E. Farnsworth, 11 Pine Street, New York City.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

been worked times out of number in nearly all the cities of the country and is part of a regular professional practice of bank crooks.

SECOND WARD SAVINGS of Milwaukee has greatly strengthened its board of directors by the election of Albert O. Trostel and Albert H. Weinbrenner, two men representing the leather and shoe industries.

SECRETARY L. P. HILLYER of the Georgia Bankers has not as yet secured his attractions for the Atlantic Beach convention to be held May 24th and 25th. He expects shortly to send out a very attractive program.

PRESIDENT LOUIS G. KAUFMAN of the Chatham and Phenix National, New York, has given out a very optimistic interview on business conditions. He predicts active manufacturing for the reason that merchants and retail men have allowed their stocks to become depleted to an extent which naturally will force them into the market this season.

THE bachelor bank out at Cedar Rapids is to have a mistress shortly. One of the cashiers, John M. Ely, is to be married. There are said to be favorable indications in the case of John Burianek.

IN addition to his duties as cashier of the Exchange National Bank, Pittsburgh, Alexander Dunbar has been elected a director of that institution.

J. H. McCORD, cashier of the Citizens' National, Spencer, Ia., is as loyal as they come. Recently he was called upon to deliver an address on the "Business Man and the Farmer" and this is the sparkler he set off on his much beloved state:

IOWA is a principality of farms. Her imperial position in the sisterhood of states has been won and is held by the fertility of her soil and the intelligent industry of her people. Year by year the producing capacity of the state has been increased by better methods, better seed and better machinery, and agricultural Iowa, with Holden her guide, Wallace her counselor, and Providence her friend, has risen to the position of one of the greatest wealth-producing states in the union.

WE sincerely doubt if George Edgar Vincent and Joseph Chapman, Jr. can beat that for Minnesota when they put over the big St. Anthony program?

DAVID R. FORGAN, president of the National City Bank, will address the Associated Advertising Clubs of America at their annual convention in Dallas, May 19th-23d on "The Asset Value of Advertising."

ONE HUNDRED AND TWENTY-FIVE St. Louis business men and bankers have concluded a trade-promoting trip to Panama. While on the steamer two primary elections were held. The republicans elected Roosevelt and the democrats voted for Governor Woodrow Wilson, instead of their (otherwise) favorite son, Champ Clark. This is a significant indication of what may be the real feeling "at home."

BOSTON is the only city of consequence which has not adopted the Chicago plan of clearing house examinations. The clearing house banks there are apprehensive, first, that the expense may be too great, and second, that they may be accused of imitating someone else. Chicago has had a clearing house examiner in service for the past twelve years, and pays him \$25,000 per year or \$5,000 more than the New York clearing house pays its examiner. It is believed, however, that Bos-

ton could secure a competent man for from \$10,000 to \$15,000.

BOSTON has a great many banks and trust companies outside of the present clearing house, which under the system of examination would be compelled either to come in as members, or to come in under the examination plan, as they have been in Chicago.

MESSRS. CHAPMAN AND HARRIS will do well to look to their laurels as farmer-bankers. President James I. Buchanan of the Pittsburgh Trust Company has entered the regular course in farming at Cornell. He spends three days a week at Ithaca, and the other three at his bank in Pittsburgh.

WE propose that the universities of Minnesota, Illinois and Pennsylvania establish a degree to be known as "bachelor of farming," and nominate for early distribution of medals, the names of Buchanan, Chapman and Harris.

J. E. GILL, cashier of the First State Bank of Garfield, Wash., has tendered his resignation, and will move with his family to southern Idaho to engage in farming, where he has been preceded by two brothers, who have succeeded wonderfully well.

COMPTROLLER MURRAY is being kept busy by big Chicago bankers protesting against the further issuance of \$50,000 charters to nationals within the city limits. Not less than six such banks were chartered in one week after the announcement was made, and it is feared that we will have too many of them.

A \$50,000 bank in a central reserve city where a 25 per cent reserve must be kept, will have some rather close figuring to do to show a profit upon such a small capital. The minimum for state banks in Chicago remains at \$200,000, and yet Chicago has fifty state institutions to her fifteen nationals. It is charged by some that the comptroller is anxious to increase the number of nationals to nearer the number of state banks. The end is not yet.

A MOVEMENT is on foot in Tennessee to prefer charges against both state and national banks maintaining insurance departments on the ground that they are not authorized to conduct this kind of a business by their charters. The suits are to be prosecuted by insurance companies, which do not have banking connections.

APRIL INVESTMENT

St. Louis Southwestern Railway System Stephenville North & South Texas Railway Co. First Mortgage 5% Thirty-Year Gold Bonds

Guaranteed principal and interest by endorsement by the St. Louis Southwestern Railway Company
Dated July 1, 1910 Due July 1, 1940
Interest payable Jan. 1 and July 1 in New York and St. Louis
Authorized \$10,000,000 Outstanding \$2,423,000
In coupon form of \$1,000 each, with privilege of registration as to principal
Subject to redemption on any interest date on ninety days' notice at 105

Commonwealth Trust Company, St. Louis, Trustee

Authorized by the Railroad Commission of the State of Texas as being less in amount than actual cost of construction of the property

Legality of the issue has been approved by our Counsel
Messrs. Stetson, Jennings & Russell

Application will be made to list these bonds on the
New York Stock Exchange

Price, 97½ and Interest
Yield, 5.15%

For full description of the property and report of Mr. F. N. Finney, former President of the Missouri, Kansas & Texas Railway, who, at our request, examined the St. Louis Southwestern Railway, and the Stephenville North & South Texas Railway, reference is made to our special circular, which will be sent to you promptly on request.

D. Arthur Bowman & Co.

Third National Bank Building

ST. LOUIS, MO.

THE question of charter limitation is a serious matter to any corporation and especially so to a bank. The big dry goods houses of Chicago closed their banking departments over night, when they were assailed as doing something not authorized in their charters, showing that it is a touchy point.

THIS tip about the dry goods banking departments is furnished to banks in other cities, where they may have that sort of illegitimate competition.

HERE is the "most cruelest cut of all": The Commerce Trust Company of Kansas City, in closing up the tangled affairs of the late American Union Trust, and the Bankers Guaranty Trust, has been compelled to file a bill against Thomas L. Matkins to recover bonds and other securities in his possession, and in filing this bill the Commerce refers to the very active spirit in the trouble as "one Moyer," which will be a shock to the vanity of W. L., who in his time has been president of a whole string of banks and trust companies, many of them not much better than the ones which are being closed up in Kansas City.

E. F. SWINNEY of Kansas City has purchased a big coal mine at Fort Smith, Ark., and along with it has bought the railroad, which connects the mine with the Kansas City Southern. We can name a whole lot of people, who will bet that this particular coal mine is a pretty safe investment or it never would have happened to be in Mr. Swinney's company.

LOS ANGELES clearings were expected to reach a high-water mark for the first week in April, owing to the fact that the city has just disposed of six and one-half millions in harbor bonds and almost three millions in aqueduct bonds. The entire deal was put through by the ten leading banks of that city.

IF Andrew Russel isn't satisfied with the vote he got in Cook county, certainly he's hard to please. He had 59,589 votes.

OLIVER C. FULLER, conservative and powerful of influence in the A. B. A., is to be asked to serve on the special investment bankers committee at Briarcliff. This was a wise and tactful move on the part of the clever Mr. Caldwell.

GERMAN SAVINGS BANK, Davenport, will occupy its splendid new building, ready for business, Monday next. This is one of the "big" banks of Iowa. Deposits are nearly eleven millions.

SECRETARY W. C. MACFADDEN of North Dakota, will address group meetings in Nebraska, at Lincoln May 21st and at Hastings on May 22d and will talk on the "Better Farming" movement in his own state. Mr. Macfadden is a fine speaker as well as an effective organizer.

MRS. SECRETARY H. M. BROWN of Michigan will give the National Reserve Association gospel a chance at the Kalamazoo convention.

MRS. BROWN also notifies that "the special session of the legislature, just adjourned, passed an act to amend section 32 of the banking act so that state banks may be permitted to pledge their qualified assets for the purpose of becoming depositories for postal savings funds." Further that the new feature of the work of the association, "Vocational Education and Agricultural Development" (the movement for closer relations between the banker and farmer) and "the American Institute of Banking Study Course" (a plan for the education of the bank clerks) will also be presented in a most interesting way by speakers well informed on the subjects.

CASHIER.

ALL BRANCHES OF BANKING



1857

1912

ORSON SMITH	- - - President	P. C. PETERSON	Assistant Cashier
EDMUND D. HULBERT,	Vice-President	C. E. ESTES	- - - Assistant Cashier
FRANK G. NELSON	- - - Vice-President	LEON L. LOEHR	Sec'y and Trust Officer
JOHN E. BLUNT, Jr.	- - - Vice-President	F. W. THOMPSON,	Mgr. Farm Loan Dep't
J. G. ORCHARD	- - - Cashier	H. G. P. DEANS	- - - Mgr. Foreign Dep't

CAPITAL AND SURPLUS - \$9,000,000



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

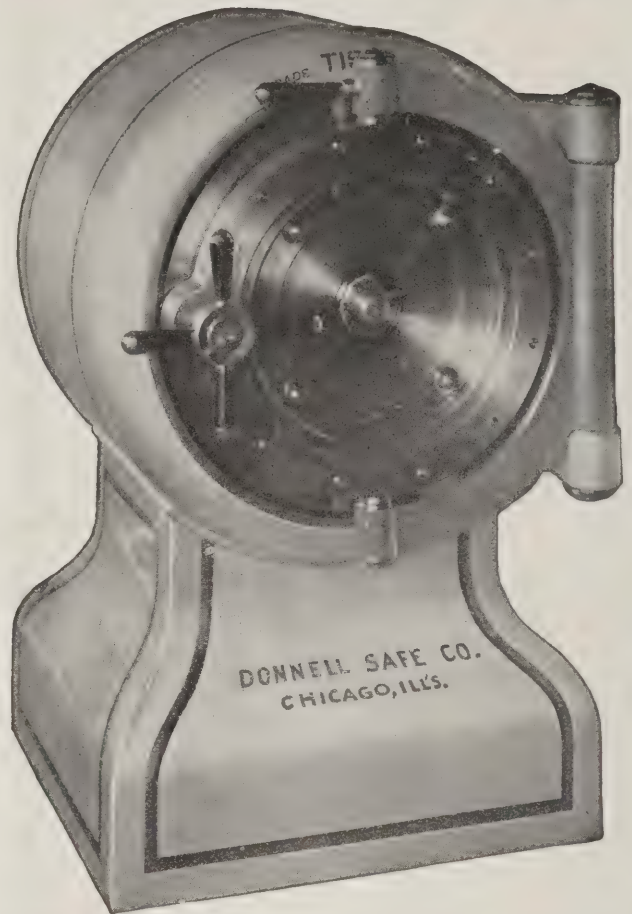
THE NATIONAL CITY BANK
OF CHICAGO

Capital	- - -	\$ 2,000,000.00
Surplus and Undivided Profits		587,563.63
Deposits	- - -	30,713,013.20

OFFICERS

ALFRED L. BAKER	- - - Vice-President	DAVID R. FORGAN,	President
H. E. OTTE	- - - Vice-President	HENRY MEYER	- - - Assistant Cashier
F. A. CRANDALL	- - - Vice-President	A. W. MORTON	- - - Assistant Cashier
L. H. GRIMME	- - - Cashier	WM. N. JARNAGIN	- - - Assistant Cashier
W. T. PERKINS	- - - Assistant Cashier	WALKER G. McLAURY	- - - Assistant Cashier
W. D. DICKEY	- - - Assistant Cashier	R. U. LANSING	- - - Manager Bond Dept.
		M. K. BAKER	- - - Asst. Manager Bond Dept.

Donnell Safe Co.



General Western Agents for the York Safe & Lock Co., who have the best-equipped safe factory in America. Their Manganese safes are superior to any in the market. We sell these safes subject to a test against any Manganese safe made and will guarantee all our work equal, if not superior, to any made. We can refer you to any banker in Chicago. We carry the largest stock of bank safes in Chicago. Burglar vault doors, vault linings, burglar safes that have been used always on hand. A large lot of second-hand deposit boxes that are modern and good as new.

227-229 Washington St., Chicago, Illinois

Fourth Street National Bank
OF PHILADELPHIA

Capital	- - -	\$3,000,000.00
Surplus and Profits		6,500,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board	
E. F. SHANBACKER, President	FRANK G. ROGERS, Vice-President
JAMES HAY, Vice-President	R. J. CLARK, Cashier
B. M. FAIRES, Vice-President	W. A. BULKLEY, Assistant Cashier
W. K. HARDT, Assistant Cashier	

The Girard National Bank
OF PHILADELPHIA

Capital	- - -	\$2,000,000.00
Surplus and Profits		4,585,000.00
Deposits	- - -	40,000,000.00

FRANCIS B. REEVES, President

RICHARD L. AUSTIN
Vice-PresidentJOSEPH WAYNE, Jr.
CashierTHEO. E. WIEDERSHEIM
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Asst. Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

APRIL 20, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

Briarcliff Special

But one whole compartment and two or three half-compartments remain untaken on the big Chicago Briarcliff Special. The train will pull out at 2:30 p. m. on Saturday, May 4th, over the Lake Shore. Automobiles will meet the bankers at Scarborough-on-the-Hudson and take them over "the divide" to Briarcliff Lodge, early Sunday morning. New York bankers will arrive by a still earlier train. Tickets are not "round trip" unless desired, and passengers will return over any road and by any train they like. It is quite possible a "return party" will be made up at the Lodge, just for social purposes.

If you have a friend going east about May 4th the committee will be glad to welcome him upon this train. The guests as listed are as follows:

Car A

Compartment A, E. R. Gurney and wife, Fremont, Neb.

Compartment B, Solomon A. Smith and wife, Chicago.

Compartment C, Oliver C. Fuller, Milwaukee.

Compartment D, Lucius Teter and wife, Chicago.

Compartment E, Arthur Reynolds and wife, Des Moines.

Compartment F, G. M. Reynolds and wife, Chicago.

Compartment G, F. O. Watts, Nashville.

Compartment H, W. C. Harris, Fulton, Mo.; Thornton Cook, Kansas City.

Car B

Compartment A, C. E. Batcheller, Fingal, N. D.

Compartment B, W. G. Edens and one Chicago.

Compartment C, Nelson H. Greene and wife, Moline, Ill.

Compartment D, George F. Orde, Minneapolis; Joseph Chapman, Jr., Minneapolis.

Compartment E, N. F. Hawley and wife, Minneapolis.

Compartment F, P. W. Goebel, Kansas City; A. Marble, Cheyenne.

Compartment G, John J. Sherman and daughter, Appleton, Wis.

Compartment H, John L. Hamilton and wife, Hoopeston, Ill.

Compartment I, E. J. Bowman, Anaconda, Mont.

Compartment J, E. D. Durham, Onarga, Ill.

Car C

Compartment A, Gordon Jones, Denver.

Compartment B, J. W. Wheeler, St. Paul; H. P. Beckwith, Fargo, N. D.

Compartment C, J. H. Johnson and wife, Detroit.

Compartment D, Ralph Van Vechten, Chicago.

Compartment E, John F. Hagey, Chicago; Luther Drake, Omaha.

Compartment F, B. F. Harris, Champaign, Ill.; George C. Power, St. Paul.

Compartment G, C. G. Hutcheson and wife, Kansas City.

Compartment H, E. R. Fancher and wife, Cleveland.

Views at Beautiful Briarcliff Lodge



BUT three whole compartments remain for assignment out of the five big steel Pullmans used in the makeup of the Chicago Briarcliff Special over the Century Limited Route on Saturday May 4, at 2:30 p. m. Bankers having friends going east at that time may reserve for them and several already have done so. The pictures show golf in progress over the finely kept Briarcliff course, and the famous Dutch Kitchen where you figure up the scores. Several young ladies will be in the party and we have general agent George Thompson's word for it that the dining car will be clear up to the mark.

Compartment I, Clay H. Hollister and wife, Grand Rapids, Mich.

Compartment J, Eberhard Faber, New York City.

Car D

Compartment A, William H. High, San Francisco; H. S. Fletcher, Watsonville, Cal.

Compartment B, N. E. Franklin and wife, Deadwood, S. D.

Compartment C, G. B. Caldwell and wife, Chicago.

Compartment D, E. L. Johnson and wife, Waterloo, Ia.

Compartment E, William R. Creer and wife, Cleveland.

Compartment F, S. W. Reyburn and wife, Little Rock.

Compartment G, Sol. Wexler and wife, New Orleans.

Compartment H, J. R. Downing and wife, Georgetown, Ky.

Compartment I, A. V. Lane, Dallas, Texas; T. R. Preston, Chattanooga, Tenn.

Compartment J, A. O. Wilson and wife, St. Louis.

Car E

Compartment A, D. W. Hogan, Oklahoma City, Okla.

Compartment B, D. Arthur Bowman, St. Louis.

Compartment C, C. H. McNider, Mason City, Ia.; J. Fletcher Farrell, Chicago.

Compartment D, E. J. Curtin and wife, Decorah, Ia.

Compartment E, G. W. Rogers and daughter, Little Rock.

Compartment F, Andrew J. Frame, Waukesha, Wis.; P. C. Kaufman, Tacoma, Wash.

Compartment G, J. C. Drake, Los Angeles.

Compartment H, C. Q. Chandler, Wichita, Kan.

Compartment I, W. P. Manley, Sioux City, Ia.

Compartment J, Mrs. C. A. Ruggles, Boston. The list shows eighty persons with possibly

four or five yet to come. Gen. Agt. George Thompson of "Century Limited" fame has given his word that in equipment and appointments the Briarcliff Special will yield nothing to the long list of high class bankers trains organized in the past for out-of-Chicago business.

B. F. Harris

It has been announced that B. F. Harris of Champaign likely will be a delegate at large to the republican convention in June. He is a Roosevelt man.

McCRUM-HOWELL REORGANIZATION

Herman A. Waldeck, vice-president of the Continental and Commercial National, has returned to Chicago after having attended a meeting of the committee appointed to assist in the reorganization of the McCrum-Howell Company. No definite course of procedure was formulated, owing to the lack of information as to the exact position of the company.

John A. Lynch

John A. Lynch, president of the National Bank of the Republic of this city, left on Thursday of this week for a trip to Europe. Mr. Lynch expects to be away for about three months.

NEW ILLINOIS BANKS

Authority has been granted by the state to open the following banks: Logan Square Trust and Savings Bank of Chicago, charter granted to Theodore W. Schulz, Thomas W. Schulz, and Henry C. Nieman. The capital stock of this institution is \$200,000. Another authorization was that of the Martinton State Bank, Martinton, Iroquois county, capital \$25,000.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS	- - -	President
RALPH VAN VECHTEN	- - -	Vice-President
ALEX. ROBERTSON	- - -	Vice-President
HERMAN WALDECK	- - -	Vice-President
JOHN C. CRAFT	- - -	Vice-President
JAMES R. CHAPMAN	- - -	Vice-President
WM. T. BRUCKNER	- - -	Vice-President
WM. G. SCHROEDER	- - -	Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH	- - -	Cashier
HARVEY C. VERNON	- - -	Assistant Cashier
GEO. B. SMITH	- - -	Assistant Cashier
WILBER HATTERY	- - -	Assistant Cashier
H. ERSKINE SMITH	- - -	Assistant Cashier
JOHN R. WASHBURN	- - -	Assistant Cashier
WILSON W. LAMPERT	- - -	Assistant Cashier
DAN NORMAN	- - -	Assistant Cashier
FRANK L. SHEPARD	- - -	Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

GEORGE M. REYNOLDS
President

JOHN JAY ABBOTT
Vice-President

GEO. B. CALDWELL
Vice-President

CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
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CINCINNATI AND CHICAGO

Municipal **BONDS** Netting 3.80 to 5.50%

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Short or Long Maturities

INQUIRE FOR LIST OF OUR HOLDINGS

115 South La Salle Street

CHICAGO

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital	-	\$2,000,000
Surplus	-	500,000
Deposits	-	26,200,000

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARWELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
THOMAS E. NEWCOMER, Asst. Cashier
HARRY LAWTON, Manager Foreign Department

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908	\$ 9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
March 7, 1911	21,574,956.79
June 7, 1911	23,137,746.88
September 1, 1911	24,500,075.82
December 5, 1911	25,445,199.89
February 20, 1912	26,207,446.32

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Drovers Deposit National Bank OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-eight years rendered Efficient and Quick Service to its Correspondents

Resources, Nine Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER
GEO. M. BENEDICT
WM. C. CUMMINGS



Mainly About Banks and Bankers

STATE AUDITOR McCULLOUGH is distributing a statement book showing the condition of Illinois banks under date of February 21, 1912. Copies may be had upon application.

A. E. WALKER, superintendent of banks under the new banking law of Alabama, has issued his first annual report. It contains a full summary of state, private and mutual savings banks, and loan and trust companies of the state. The figures as compiled show that the banks have made important advancement under the new banking law, which puts all forms of banking in the state except national under supervision.

THE bankers of the state of Washington, through their secretary, P. C. Kaufman, are distributing an address made before them at their last convention by Joseph Chapman, Jr., on "The Relation of the Banker to the Farmer." This will be a pretty good textbook for bankers just starting in on the farmer-talk racket.

COMMISSIONER SWANGER of Missouri, in his annual report, shows a gain of fifty-three banks during the year. Deposits have increased nearly fifteen millions.

SECRETARY J. W. HOOPES of the Texas Bankers Association has a fine program for his annual convention. The only unfortunate thing about the whole matter is that it will prevent Mr. Hoopes from attending the meeting at Briarcliff, to which he is eligible as secretary of the secretaries section. Naturally this will be a disappointment to him, since the office lasts but one year.

SECRETARY P. W. HALL of Iowa was very busy toward the close of March making cancellations on his Cedar Rapids program. He had three of them in one week.

MR. HALL now comes forward with an entirely new list embracing such names as J. Adam Bede, William J. Burns, Elbert Hubbard and Dean Curtis of the Ames Agricultural College. Mr. Hall thinks he has arranged it so that President B. F. Harris of the Illinois Bankers Association will keep to his original appointment and remain on the program.

ANOTHER of the desirables whom Mr. Hall thinks he will secure is Hugh L. Cooper, who is building the great Keokuk dam, one of the largest pieces of work of the kind in the world. Iowa bankers realize what a wonderful impetus this dam project will give to manufacturing in the state and necessarily to northern Illinois. Mr. Cooper is said to be a good talker and naturally greatly and deeply in love with his subject.

CEDAR RAPIDS BANKERS will make big preparation for a large attendance from Chicago, and from past experience it is quite likely that not less than two carloads will go out from here.

"MINNEAPOLIS TRIBUNE" had a fine cartoon on Saturday last showing an aged farmer arguing with his son against

leaving the farm and going to the city. The farmer was quoting Joseph Chapman, Jr., to the very best of his ability. The young son was saying in return, "Yes, but father, look where Joe is now. He might be back on the farm if he had followed his own advice early enough."

GEORGE WOODRUFF, president of the First National at Joliet, has discovered a dangerous bank crook traveling under the name of O. B. Cox. Cox has sent fake letters from Chicago to cities all over Iowa and Nebraska addressed to himself in care of insurance agencies, and other well-known business houses.

IN the letter thus forwarded to himself is a forged draft on one of the local banks, and his plan is to have some bank waive identification on the strength of the check having been remitted in the regular course of business by such a letter. Under date of April 24th, Mr. Cox forwarded a letter to himself in care of the insurance agency at Omaha. The letter was typewritten on what purports to be a regular letterhead of the First National of Joliet, but which on its face is a fake. It reads:

"WE are in receipt of your favor of the first, and in reply beg to report that we were successful in collecting the full amount of your claim, and hand you herewith our draft No. 678417 on the First National Bank of New York, in full payment of same. Kindly acknowledge receipt of same and oblige, A. J. Gloss, assistant cashier."

THIS particular letter was opened accidentally by another man named Cox, and returned to the First National at Joliet. Mr. Woodruff says he has heard of other forged drafts forwarded from Chicago, addressed to himself by the versatile Mr. Cox. It is said that he is making an attempt to work Illinois territory and Illinois banks are thus put on their guard. The scheme is pretty well thought out, and has been successful in a number of cases.

A FRIENDLY Indian who has been making a little quiet investigation for himself predicts that if the executive council of the Illinois Bankers Association could have another vote on the question of bank supervision that the vote would stand about this way:

HE figures that of the fifty-seven members of the executive council thirty-six would favor the proposition; that two out of three of the executive officers probably would vote against it, and that eight out of the fourteen ex-presidents who have a vote probably would vote the same way. Nine out of ten of the present group chairmen are organized bankers, and would support the measure. There is the situation in a nut shell.

OVER a thousand members of the state association have voted on the question of supervision already, 75 per cent of them be-

ing in favor of it. Of the private bankers on record no less than 44 per cent have voted in favor of supervision. There ought not to be any further question about proceeding to comply with the wishes of the membership in this important matter.

CHAPIN STATE BANK at South Bend is in its fine new building—one of the best in the state of Indiana. This was the first bank organized to serve the outlying districts, and it has found the field very profitable.

JAMES W. SLICK is president, and J. E. Neff is cashier. The bank has a capital of \$50,000.

JAMES M. DINWIDDIE of Cedar Rapids has sent out a very strong letter to the Iowa bankers, calling attention to the fact that out of the 1,500 members of the state association but 675 are members of the American Bankers Association. Under these conditions all Iowa would have to do to secure another member on the executive council would be to procure twenty-five additional members for the A. B. A., which ought to be easy work.

MR. DINWIDDIE is a candidate for this identical position, and is trying to make his election possible. From the eastern end of the state David H. McKee at Davenport has been suggested by his friends. Likewise Henry M. Carpenter of Monticello has been mentioned. The thing to do is to work the membership up to 800, and give Iowa two new members. A state of the size and importance of Iowa and containing the number of banks it has ought to be so represented.

NEW YORK court of appeals holds promoters liable for selling securities on a fraudulent prospectus. Illinois hopes to have a law (Blue Sky) to put such promoters where they can do no harm. New York needs such a law or a lot more judges such as made the above ruling.

BANK CLEARINGS are going up 20 per cent a week. Must be the baseball season "doing it."

DID you read of that bank cashier being short a quarter of a million and seriously ill? Even the stockholders are not feeling quite well.

NEXT A. B. A. convention will go to Boston or St. Louis. Just so it is at one or the other end of the New York Central.

THE doctors were almost ready to operate on a Kansas City man last week for appendicitis, when an "uxtry paper" came out showing that he had failed in business. They gave him a big dose of paregoric for a pain in the Stomach. Nice work.

THE real estate, personal property, banking house, furniture, fixtures and all property of every kind and character of the Bank of Brownston (Ill.) have been purchased by parties connected with the Farmers and Mer-

(Continued on page 30)



COLONIAL TRUST & SAVINGS BANK

La Salle Street, N. E. Corner Adams, CHICAGO

JACOB MORTENSON, Vice-President
EMIL STUEDLI, Assistant Cashier
W. F. DOGETT, Assistant Cashier

LONDON CABELL ROSE
President

R. C. KELLER, Vice-President and Cashier
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We offer a convenient and efficient service to those desiring a Chicago connection

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

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R. M. McKINNEY, Cashier
JAMES M. HURST, Asst. Cashier
W. H. HURLEY, Asst. Cashier
A. O. WILCOX, Mgr. Foreign Exchange Dept.

W. T. FENTON, Vice-President
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THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-eight years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

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AUGUST BLUM, Vice-President
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R. F. NEWHALL, Assistant Cashier
G. H. DUNSCOMB, Assistant Cashier

FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

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CHARLES L. HUTCHINSON, Vice-President
D. A. MOULTON, Vice-President
CHAUNCEY J. BLAIR, Vice-President
B. C. SAMMONS, Vice-President

FRANK W. SMITH, Cashier
JOHN C. NEELY, Secretary
J. E. MAASS, Assistant Cashier
JAMES G. WAKEFIELD, Assistant Cashier
LEWIS E. GARY, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

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Clarence Buckingham
Edward A. Shedd
Edward B. Butler

DIRECTORS
Charles H. Hulburd
Edwin G. Foreman
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The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

DIRECTORS

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THE LIVE STOCK Exchange National BANK OF CHICAGO

Offers exceptional inducements to
Banks in the Corn Belt desiring
to make a change for the better,
or open up new accounts

Sir John Paget Before British Institute of Banking

London, April 10.—Following is a descriptive summary of the endowed Gilbert lecture by Sir John Paget, Bart., K. C., before the British Institute of Banking:

During the past year the banking world has been considerably disturbed by matters arising out of what is known as the cotton bills of lading frauds. So far as is known, the English banks were in many of the cases not actual losers, being able to pass the loss on to clients, but combinations of circumstances suggest themselves which may directly involve English bankers. The fraud is not a new one, but as everything in America is on a gigantic scale, so these frauds involve huge sums—in one instance, well over a million—and bankers do not want to run the risk of even a possible liability of this nature.

It has been stated by judges, in a light-hearted way—even by Lord Bramwell, who was a banker himself in early life—that bankers always are prepared to incur risks, and with the mountain of case law and decision which have grown up, the load upon the unfortunate banker has been considerably increased. Indeed, the banking law of the last twenty years has almost uniformly been against the banker. Slight relief has been occasionally accorded by the legislature, as by the Crossed Checks Act of 1906, but such measures are few and far between, and, by a curious coincidence, it would seem that the disclosure of some new liability on the banker acted as a sort of invitation to the dishonest man to take advantage of it.

The Modus Operandi

The plan of action as regards the cotton bill frauds is very simple. The originator in America enters into negotiations with someone who is willing to accept bills against consignments of goods. In the recent cases it was cotton, but corn, hemp and other commodities have been utilized for the purpose. In the cases which the lecturer had in mind, the intended victim was an English firm, and the arrangement was that the bill of exchange should be accepted on that firm's account by an English bank against delivery of the bills of lading. The fraudulent person then draws up the bill of exchange and proceeds to provide the necessary documents. The bills of exchange, which were brought before Sir John, were of the most captivating character. They directed that the payment was to be placed to the account of a consignment of cotton, which was most minutely described—the name of the ship, quantity and quality of cotton, marks and numbers of the bales being specified in full detail on the bill of exchange. Of course, the cotton was purely fictitious, its existence and description being mere inventions. The corresponding bills of

Cotton Bills of Lading and other Americans come up for review in the Gilbert series of endowed lectures

lading were then fabricated, and these, of course, tallied with the particulars given in the bills of exchange, and purported to be signed by the master of the ship. In the case in point, further similitude was provided by the production of a bogus railway receipt for the conveyance of the fictitious cotton over the land portion of its supposed transit.

Supported by this apparently sufficient security, the bill was purchased by an American Company, who sent it together with the attached documents to their agent in England. The bill of exchange was duly presented to, and accepted by, the bank on which it was drawn, the latter retaining the bills of lading. Bearing, as it now does, the acceptance of a well-known London bank, the bill can be readily dealt with on its own merits, and the London Agents of the American Company endorsed it for value to a person who took it in good faith, and he in turn negotiates it with another London bank by way of their discounting it. Before the bill falls due

The Fraud is Discovered

and it is difficult to see how the non-existence of the cotton was concealed so long. But, presumably, the bill of exchange would be drawn payable some time after sight, and with the bill of lading would be sent by post, which now is only a matter of a few days, while the cotton would be supposed to come over by a slow cargo vessel, and, therefore, be longer in conveyance. The fraudulent drawer would then be in a position, so soon as he had sold the bill of exchange, to clear out and leave the other parties to settle matters as best they could. Possibly some other more ingenious way was followed, but, in any case, the fraud was not detected until the bill of exchange had been accepted by the bank upon whom it was drawn, and had passed into the hands of a holder in due course. Then it was found that the ship arrived without the cotton, or, perhaps, that the ship was as much a myth as the supposed cargo; the bill was presented for payment, and the bank had to pay it, because it was in the hands of a bona fide holder for value against whom the fraud was no defense. Even if the bill was in the hands of the first holders, having been endorsed to them by the fraudulent drawer, if they were absolutely innocent of the fraud and had given value for it, the ac-

cepting bank would, in Sir John's opinion, have had to pay it. But, the bank having accepted the bill on the instructions of, and as agents for, their clients, they were entitled to debit them, and naturally did so. Their clients raised no objection, and the bank incurred no loss. Sir Felix Schuster has remarked that the same has fortunately been the position of most of the London banks, who have been in any way mixed up in these frauds; that, having accepted as agents, they were entitled to indemnity, and to pass the loss on to their clients. This would not, of course, be the position of a bank which had accepted the bill of exchange for its own account.

The natural course is now for the person, whether the banker of the client, who has had to provide the money to pay the acceptance, to endeavor to fix the liability upon some one else in order to recoup himself. The fraudulent drawer must, of course, be ignored, and the only persons left are (1) the person who left the bill of exchange for acceptance, or (2) the person who presented it for payment and got the money. In the case which Sir John had in mind, the client of the bank, who had been debited with the amount of the acceptance, sued the American Company, who had bought the bill in the first place, and then presented it for acceptance, with the sham documents, and though the bill was presented for acceptance and paid in this country by an English bank, though the party suing was an English firm and the amount had been paid to an English bank, the action was brought in an American court. The plaintiffs were quite within their rights in doing so, and Sir John said he had the greatest respect for the higher American courts.

"Conditional" Bill and "Conditional" Acceptance

The acceptance in the present case was an ordinary one—"accepted payable, etc."—and, of itself, imported no condition whatever. In the Bills of Exchange Act, Section 19, acceptances are divided into two classes: (a) general, or (b) qualified. Subsection 2 says: "A general acceptance assents without qualification to the order of the drawer. A qualified acceptance in express terms varies the effect of the bill as drawn. In particular, an acceptance is qualified which is (a) conditional, that is to say, which makes payment by the acceptor dependent on the fulfillment of a condition therein stated." It will, therefore, be seen that, whatever the tenor of the bill as drawn, whatever eccentric provisions it may contain, whatever unusual form the order may take, when the drawee writes "accepted" across it he assents without qualification to the order of the drawer, and the acceptance is a "general" one. In order to make the accept-

YOUR
BUSINESS
INVITED

Milwaukee National Bank
of Wisconsin

Capital, \$450,000
Surplus and Profits
\$100,000

The Fourth National Bank Of the City of New York

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E. W. DAVENPORT
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CHARLES E. MEEK
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DANIEL J. ROGERS
Cashier
CHARLES E. FOX
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EDWIN T. ROSS
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RAYMOND B. COX
Asst. Cashier

WE endeavor to make our service so fit into the business of our customers, that their own business advantage is thereby increased.

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Write for our monthly "Business and Financial Outlook," mailed on request.

CAPITAL AND SURPLUS, \$10,000,000.00

ance a "qualified" one, the qualification must be introduced into the acceptance in express terms by the acceptor. Now, there cannot be such a thing as a "conditional" bill: a bill must be "an unconditional order"; but, assuming a possible conditional bill, an ordinary acceptance of it would not be a conditional acceptance. It would be an assent by the acceptor to the bill as it is without introducing any fresh condition or qualification. This is clearly seen from Section 19, subsection 2 (a), quoted above; the condition must be stated in the acceptance. If by conditional acceptance the judge meant an ordinary acceptance to a bill containing conditions, the idea is self-contradictory and impossible, for the existence of conditions is absolutely fatal to the character of the instrument as a bill. An acceptance is defined in Section 17 as "on a bill," and the acceptor cannot be precluded from disputing that what he wrote "accepted" upon was not a bill, even to a holder in due course. The American law in all the states being the same as ours with regard to bills, at any rate as to their being "unconditional orders," Sir John said it struck him as an inconsistency in the American decision that a bill could be regarded as conditional, and the payment to a third party be treated as regular, and in the ordinary course of business.

"Conditional" Bills

If the document was conditional it was not a bill, and was not negotiable; no third party could have any rights upon it; no third party could claim or enforce payment of it. If the acceptor knew of the fraud at the time the so-called bill was presented for payment, and nevertheless paid it to a third party, however innocent, there could be no justification for the payment. If the quondam bill was "conditional," how could the accepting bank claim indemnity from its clients, or anybody else, based on what would be, in fact, a purely gratuitous payment? Even if the acceptor was ignorant of the fraud when the acceptance was paid, Sir John could not see why the person presenting the bill for acceptance could not set up the non-negotiable character of the instrument as against the person who paid it.

The Bills of Exchange Act, section 3 (3)—the provisions of which are identical with those in the American statute—says: "An order to pay out of a particular fund is not unconditional within the meaning of this section, but an unqualified order to pay, coupled with (a) an indication of a particular fund out of which the drawee is to reimburse himself or a particular account to be debited with the amount, or (b) a statement of the transaction which gives rise to the bill, is unconditional." Sir Mackenzie Chalmers states that there is a tendency in New York to treat bills of this sort as equitable assignments rather than bills. That is to say, to treat them as conditional, as orders to pay out of a particular fund. The decision of the American judge, to which reference has already been made, no doubt went in this direction, but in England there is certainly no such tendency, in fact quite the re-

verse. In every case where bills of this sort have been recognized the court had this section in their minds. It is, therefore, clear that the court regarded the references as indicating not a particular fund or source whence payment was to be made, but merely a fund or property realizable to provide a fund out of which the drawee may recoup himself the payment of the bill, of which he could debit with the amount. Where the phraseology is, "which charge to account of such and such goods," the indication is distinctly that of a fund to be debited with the amount. Words such as "against cotton ex 'Acacia'" are somewhat more ambiguous, and might be taken to indicate a fund or source out of which payment was to be made, but such words have been held, over and over again, not to make the instrument conditional. Possibly, there is the underlying idea that, at any rate in the case of cargoes, there is the uncertainty of the goods arriving before the due date of the bill so that they afford no certain means of providing for payment of the acceptance, though on ultimate delivery they may provide means for the acceptor to recoup himself.

The Acceptor's Property in the Relative Goods

There is another consideration which may have some bearing on the foregoing question. Sir John said he did not think it has ever been very clearly defined what degree of property the acceptor acquires in goods against which he accepts a bill, and for which he obtains the documents of title. He was inclined to believe that it depends very much on the arrangement between the parties. Where the customer of the banker gets him to accept bills for him, and the banker stipulates for and obtains the bills of lading or other documents of title as cover for the acceptance, Sir John thought

the idea was merely security. The banker would expect to be provided by the customer with funds to meet the acceptance, and he would not usually part, dispose of or realize the documents of title or bills of lading before maturity of the bill of exchange. As Sir Mackenzie Chalmers puts it, there is a kind of mixed property in the goods, both drawer and acceptor having a defeasible interest therein. That puts the matter very much on the basis of a pledge in which there is no right to part with the subject matter of the pledge until default. Default does not, of course, arise until maturity of the bill, and the omission to provide for it. The fund would, therefore, be one out of which the drawee could reimburse himself, not one out of which there was an order to pay. Sir John did not see that it makes any essential difference that the customer is not the drawer. Is not the true inwardness of the transaction that the customer is the real purchaser of the goods from the drawer, giving as a price the bank's acceptance or its undertaking to accept, and arranging that the documents of title are to be handed to the banker on the customer's behalf as cover for the acceptance? That was the view taken in the leading case—*Banner vs. Johnston* (1871)—and, if so, the meaning is a "pledge"—a source of reimbursement, not a fund to resort to for payment. Of course, it is a matter for arrangement. The accepting bank may be the actual purchaser of the goods, or it may acquire the right to deal with the goods in any way, or at any time it chooses, as where the agreement is to keep the bank out of cash advances, or where the goods are intended to be disposed of at once. In any case, Sir John submitted that pledge, security, is the primary idea whenever a banker accepts a bill for the customer and takes documents of title in connection with the transaction.

Lastly, bills of exchange of this sort, however minute the description therein of the relative goods, give of themselves, without the documents of title, no charge on the goods even to the acceptor. It is, therefore, somewhat difficult to see how these bills can be orders to pay out of a particular fund, when, so far as the bill itself is concerned, there is no such fund in existence, and no way of raising it. Sir John had no hesitation in holding that in English law no amount of reference or detail of the goods in the bill of exchange makes this kind of bill conditional, or an order to pay out of a particular fund, or in any way impairs their perfect negotiability. Of course, "pay out of the proceeds of such and such a cargo," would be a different matter. The question is an important one, because if this late American view and the cases supporting it were correct as an interpretation of our law, it would preclude the holder of such a bill from the position of a holder in due course, and as these bills are largely in circulation in this country, that would be a serious matter, and, on the lines of the American decision, would, apart from any question of the bill of lading, render the banker or

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Deposits	\$178,000,000



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person presenting one of these bills for acceptance liable in case the goods therein referred to were not forthcoming, though, as Sir John has already pointed out, it is not clear how this consequence attaches. Again, it would introduce into the position of a person who had paid, and an innocent person who had received payment of one of these documents, the elements of non-negotiability which is of such importance where payment in mistake of fact arises. But unless and until there is a distinct reversal of English authority on this subject, these questions need cause no anxiety in this country. Some large American banks have decided to have nothing to do in future with bills containing details of goods or cargoes against which they purport to be drawn. This is possibly a salutary conclusion, but the view Sir John has expressed of the English law relieves English bankers of the necessity for any such drastic methods.

AN ATTRACTIVE BOND ISSUE

An attractive list of bonds for the safe investment of bank funds is now being offered by the well-known investment banking house of D. Arthur Bowman & Co., Third National Bank Building, St. Louis. One issue in particular which is bound to appeal to conservative institutions is an issue of securities based upon a physical appraisal of nearly twice the amount of the outstanding loan and which is offered to yield the purchaser a net 6 per cent return. The bonds fall due in 1916 and represent a strong four-year obligation of the most secured type. One prominent banking institution owns \$250,000 of the security in question, which in itself is a strong recommendation for it. The full particulars are extremely interesting and will be forwarded upon request to the firm of D. Arthur Bowman & Co., St. Louis.

ANOTHER POSITION FOR EDENS

Upon returning from the good roads convention held at Rockford on April 16th, William G. Edens, assistant secretary of the Central Trust Company, and president of the Illinois Highway Improvement Association, found that he had been appointed on the good roads committee of the Hamilton Club, his appointment being announced by Fred L. Rossbach, president of the club, who states that R. W. Dunn, chairman of the committee, proposes to have it play an important part in the future life of the club.

Investment Bankers

George B. Caldwell of the Continental and Commercial Trust has completed the appointment of the general organization committee of thirty from the investment bankers of the United States to organize the new A. B. A. section. This list clearly shows the type of men and the character of business that will be represented in this investment bankers section when completed, and will appeal to all as being a very excellent committee.

The special committee on amendments will meet with the executive council of the American Bankers Association at Briarcliff on May 6th and 7th, after which at least one meeting of the general organization committee will be held at some convenient point to be named later.

General Organization Committee

George B. Caldwell, chairman, Continental and Commercial Trust and Savings Bank, Chicago, Illinois.

L. B. Franklin, Guaranty Trust Company, New York, N. Y.

Allen G. Hoyt, N. W. Halsey & Co., New York, N. Y.

Geo. Garr Henry, Wm. Salomon & Co., New York, N. Y.

J. R. Swan, Kean, Taylor & Co., New York, N. Y.

Chas. Sargent, Kidder, Peabody & Co., New York, N. Y.

Horatio G. Lloyd, Drexel & Co., Philadelphia, Pa.

Geo. W. Kendrick, 3rd, E. W. Clark & Co., Philadelphia, Pa.

H. W. Briggs, E. H. Rollins & Sons, Boston, Mass.

S. W. Webb, Old Colony Trust Company, Boston, Mass.

J. L. Martin, Jr., Estabrook & Co., Boston, Mass.

C. T. Williams, Fidelity Trust Company, Baltimore, Maryland.

Harry L. Stuart, N. W. Halsey & Co., Chicago, Illinois.

Chas. H. Schweppe, Lee, Higginson & Co., Chicago, Illinois.

C. F. Childs, C. F. Childs & Co., Chicago, Illinois.

F. R. Fenton, Devitt, Tremble & Co., Chicago, Illinois.

C. H. Moore, Jr., Woodin, McNear & Moore, Chicago, Illinois.

Chas. Counselman, Spencer, Trask & Co., Chicago, Illinois.

H. C. Ward, J. S. & W. S. Kuhn, Pittsburgh, Pa.

J. R. Wardrop, Holmes, Wardrop & Co., Pittsburgh, Pa.

W. S. Hayden, Hayden, Miller & Co., Cleveland, Ohio.

P. T. White, The Cleveland Trust Company, Cleveland, Ohio.

Harry E. Weil, Weil, Roth & Co., Cincinnati, Ohio.

J. Herndon Smith, A. G. Edwards & Sons, St. Louis, Mo.

D. Arthur Bowman, D. Arthur Bowman & Co., St. Louis, Mo.

Harold Kauffman, G. H. Walker & Co., St. Louis, Mo.

W. R. Compton, William R. Compton Company, St. Louis, Mo.

Henry G. Schwitzgebel, Commerce Trust Company, Kansas City, Mo.

O. C. Fuller, Wisconsin Trust Company, Milwaukee, Wis.

Eugene M. Stevens, Stevens, Chapman & Co., Minneapolis, Minn.

C. Edgar Elliott, Joseph T. Elliott & Sons, Indianapolis, Ind.

J. R. Martin, James H. Adams & Co., Los Angeles, Cal.

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Geo. W. Kendrick, 3rd, E. W. Clark & Co., Philadelphia, Pa.

C. T. Williams, Fidelity Trust Company, Baltimore, Maryland.

W. S. Hayden, Hayden, Miller & Co., Cleveland, Ohio.

D. Arthur Bowman, D. Arthur Bowman & Co., St. Louis, Mo.

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Chas. Counselman, Spencer, Trask & Co., Chicago, Ill.

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Frederick R. Fenton, secretary Devitt, Tremble & Co., Chicago.

Western members of the special committee will go East on the Briarcliff Special, with members of council on May 4th at 2:30 P. M., Lake Shore.

W. W. Davies

The Chicago branch of the Bank of Nova Scotia is to have a new manager. W. W. Davies, who for some time has been the New York representative of the bank, is the new incumbent. Before going east Mr. Davies was associated with the local branch for several years. J. A. McLeod, who has been in charge in this city for the past six years, goes to Toronto to take charge of the office in that city.

DRY FARMING CONGRESS

John T. Burns, executive secretary and treasurer of the International Dry Farming Congress, arrived in Chicago on Thursday of this week. He announces that the seventh annual dry farming congress will be held this year at Lethbridge, Alberta, Canada, October 21st to 25th. W. C. Brown, president of the New York Central Lines, and Dr. W. E. Taylor, soil expert for the Deere Company at Moline, Ill., are on the program. Mr. Burns hopes that the governors of agricultural states will appoint delegations of practical farmers from their respective states to attend this important congress.

CORN CONTEST

Rockford National Bank, under the direction of President W. F. Woodruff and Cashier H. S. Burpee, is conducting a corn contest on behalf of their bank and in support of the effort of the members of the Winnebago County Farmers Institute. Prizes aggregating \$200 have been offered by the bank.

A NEW ONE

J. W. Hoopes, secretary of the Texas Bankers Association, has a novel as well as effective way of calling attention to the fact that the twenty-eight annual convention of the Texas Bankers Association will be held at San Antonio, May 7th to 9th. In the middle of the letter which he sends out there is pasted a little wire frame: stretched across this frame is a rubber band and a small piece of cardboard. By winding the rubber and the cardboard around several times it makes a report similar to that of a small cannon, when the letter is opened by the unsuspecting victim. Brother Edens of the Central Trust Company nearly died of heart failure when he opened his.

BUTTERED SIDE DOWN

For a novel of almost "short story" dimensions, nothing has created so much talk and drawn so much favorable comment as Edna Ferber's new book, "Buttered Side Down," published by Frederick Stokes Company, New York. "Dawn O'Hara" is a former work by this gifted writer, and it was a literary sensation of lasting qualities. Miss Ferber's "arrival" was one of the events in fiction the past year. This volume contains the stories that brought her fame. She portrays not the demigods of society, but the "ordinary" people that pass in the street by thousands—those delightful and human ones beneath the crust. And her humorous insight is strong and keen. You will miss a treat if you miss reading this charming volume.

NEW CHICAGO NATIONAL BANK

A new bank was added to Chicago's financial institutions on Tuesday, when Secretary of the Treasury MacVeagh approved one of three applications made from here in the last week. It will be the Ravenswood National Bank, capital \$50,000. Walter D. Rathje, 9 South LaSalle street; W. T. Perkins, William W. Pollock, B. B. Herbert and C. W. Chandler are its backers.

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SUPERVISION HAS PAID IN WISCONSIN

Charles J. Kunzel, cashier of the Lincoln County Bank, Merrill, Wis., writes:

"The Lincoln County Bank, we believe, can be counted among the early and continuous patrons of your strong, bright, newsy, periodical, and we know of no investment from which we are getting better returns than the price of our subscription.

"You are entitled to the united and generous support of banks from all sections of the country, in your campaign to bring banking in every state in the Union under strict supervision, and to make private banking ancient history. No move will tend more to elevate the standard of banking, and when this great work of yours is accomplished, the cry for guaranty of bank deposits and kindred fallacies will be eliminated forever.

"Wisconsin's state banks have enjoyed an enviable reputation and record since the abolishing of private banking through state legislation, and to this day we co-operate with the commissioner to safeguard the depositors' interests in every reasonable way possible. We know that this attitude, and the results following have created confidence in our state institutions, and we profit by it in every conceivable way."

Henry A. Haugan

Henry A. Haugan, vice-president of the State Bank of Chicago, returned to the city this week after an extended vacation in California.

DEATH OF GILBERT B. SHAW

Gilbert B. Shaw, prominent lumberman and banker, died this week at his home at 3423 Michigan Avenue, Chicago. He was seventy-five years old. Mr. Gilbert was the organizer of the American Trust and Savings Bank, which has been consolidated with the Continental and Commercial National.

W. T. Fenton

W. T. Fenton, vice-president of the National Bank of the Republic, who recently has returned from an extended vacation in California, reports a very bright future for that state. He says that the business outlook is very encouraging. There has been increased activity in the building line in the city of Los Angeles. The state has just passed through a dry spell lasting eight months. Although this seriously interfered with the fruit production, present indications are that this branch of business will be quite extensive and profitable in the near future. Many large orchards are being planned. The Southern Pacific Railroad has been building many miles of track throughout the state, in which it has spent millions of dollars and furnished employment to a large number of laborers. At present the people are looking forward to the beginning of active work in preparation for the Panama Exposition, which also is expected to provide work for large numbers, and which incidentally will be reflected in increased business activity. Mr. Fenton says that the younger business men of the state are very forceful and energetic, and seem to be building up an empire of their own. He believes that a great deal of the future prosperity of California can be attributed to their influence. He also was impressed with the number of beautiful homes in the state, many of which are owned by wealthy people from other states, who seek to escape hibernal rigors by journeying to a place where surroundings are more salubrious.

NEW ISSUE OF BONDS

On May 1st, the Continental and Commercial National, in conjunction with the International Trust Company, and the First National of Denver, will bring out an issue of \$2,000,000 of twenty-year, first mortgage, 6 per cent sinking fund bonds of the South Sierra Power Company. This is part of an authorized issue of \$5,000,000.

AGED BANKER SERVING SENTENCE

Detroit, April 18.—Henry M. Dearing, seventy-three years old, cashier of the defunct Albion National Bank, and his son, Palmer W. Dearing, were each sentenced to-day to five years in the federal prison at Leavenworth, Kan., for misappropriation of the bank's funds.

The son was secretary of the Cook Manufacturing Company, and it was admitted that thousands of dollars were illegally taken from the bank in a vain effort to save the Cook Company from failure. The bank's discrepancies totaled more than \$100,000.

REORGANIZATION OF SECOND NATIONAL OF CINCINNATI

The officers and directors of the Second National Bank of Cincinnati tendered their resignations this week. New officials will be chosen in their places. The bank has been taken charge of by the Cincinnati clearing house, and will be under their management until the stockholders of the institution formulate plans satisfactory to the comptroller of the currency.

Money Situation

Money at present is firmer than it has been. There is no change in the foreign situation, rates remaining about the same. Good commercial paper now can be bought at 4½ per cent. Deposits as a whole have declined somewhat.

LOUISIANA BANKERS JAILED

Eugene F. Buhler, president of the Teutonia Bank and Trust Company of New Orleans, and Joseph H. Gomila, a director, have been put in prison, charged with making false statements to the bank examiner, and with concealing the real condition of the bank. The arrests are the culmination of an investigation made by District Attorney St. Clair Adams. The bank is under state supervision and control.



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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

Readers of THE CHICAGO BANKER have noticed with interest the work which the Home Savings and State Bank of Peoria is doing along the lines of agricultural development. The State Grange of Illinois, through the generosity of the above named bank, is enabled to offer to boys of Peoria, Tazewell and Woodford counties liberal money prizes for the largest and second largest yields of corn per acre. Careful written descriptions of the methods of cultivation must be prepared by the contestant and any boy in the three counties between the ages of twelve and twenty is eligible to enter the contest.

The Home Savings and State Bank takes the opportunity of addressing the farmers on the topic of corn raising to draw attention to the benefits of carrying an account at that bank and some very clever and creditable advertising is done by this enterprising bank. Attention is called to their savings department, certificates of deposit, safety deposit boxes, ample capital and surplus and central location in the new twelve-story Jefferson Building.

When asked to give THE CHICAGO BANKER a brief statement of the plan of the bank in carrying on this agricultural development, Charles E. Ulrich, the vice-president, wrote the following careful and progressive view of present day farming and the future agricultural development of Illinois:

"Referring to our interest in the New Ideas, in fact the New Era, in farming, and the prizes offered by this bank for the largest crops and the best results, we beg to say that we are thoroughly in sympathy with the movement, and the idea that much good can be accomplished through the banks, in encouraging the study of soil fertility. We believe that the hope of success lies with the younger generation of farmers: for when the young farmer is taught, he will be able to convince his elders that the study of soil fertility is not a fad, but a truth; that a working knowledge is easy to obtain, and above all, that it is the very best investment in dollars and cents. When the young men, who know how, can demonstrate at home beyond a doubt that the study of soil fertility pays, there will be a mighty change, for that is the ultimate end and aim in the business of farm-

ing, as well as in any other business. The old idea that proper rotation of crops is the only requisite to keep up the soil has, as farmers and bankers know, had its day, and the knowledge is replacing it that the soil is composed of certain necessary elements, which, if wanting, may profitably be replaced."

New Banks Down-State

Several new banks are opening each week throughout the state. Although Illinois is now considered a "settled" state and one which annually sends many of her young men to distant parts of the United States and Canada to find new and cheaper lands yet the internal development of business goes on at a rapid rate.

Among the new banks is the Charleston Trust and Savings Bank of Charleston, which institution will give the Coles county capital four banks, the other three being the First National, the Second National, and the Charleston State. The little city is most pleasantly located with the best of farming lands without and with good educational advantages within and attracts a high grade of citizenship. W. H. Shubert will be the president of the new bank and Frank Popham will be cashier.

Metamora, an old historic town in Woodford county, formerly county seat for many years of that county and one of the towns on the old circuit of Abraham Lincoln when he visited

Illinois county seats, is to have a new bank, the second one in that town. It will be known as the Farmers Bank and will be owned by J. A. Ranney. His son, Milo M. Ranney, will be in charge. Complete vault and counter fixtures have been purchased.

The Farmers State Bank of Findley, Shelby county, will soon be open for business with capital of \$25,000. This will be the second bank for Findley. It is indeed a small village in Illinois now which does not have two banks.

Millikin National of Decatur

One of the largest and strongest banks in Illinois outside of Chicago is the Millikin National of Decatur. The bank carries deposits of about \$5,000,000 and usually stands either third or fourth among Illinois organized banks outside of Chicago in point of deposits. The Millikin is the monument of the late James Millikin, who established it in 1861, conducting it as a private bank until 1896, when it was nationalized and continuing as its president until his death in 1910. Men grow old in the service of the Millikin and some of the faithful men in that bank have spent their business careers in the one institution. No man has ever been bonded in the Millikin but no officer or employee is allowed to borrow or to overdraw his account. Such was the policy of James Millikin. He chose his men carefully, trusted them and they remained with him. O.

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Bankers of the Middle and Western States

Desiring a courteous and satisfactory New York Depository will find every requisite and safeguard known to modern banking at their disposal

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WE own and offer **First Mortgage Bonds**, based on the highest class of improved, income-producing, centrally located Chicago real estate, the total loan never being more than 50 per cent of the value of the security. We have sold such bonds to many banks, insurance companies, trust companies and trustees of estates in all portions of the country. No investor has ever lost one single dollar of principal or interest on any security purchased of us in the thirty years we have been mortgage and bond bankers in Chicago. Securities purchased of us are readily convertible, since it is our established custom to repurchase bonds or mortgages from clients when requested, at par and accrued interest, less the handling charge of one per cent. Write for *The Investors Magazine*, published twice a month.

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is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over

\$40,000,000.00



B. Gorin, the present president, a son of one of the old partners of James Millikin, J. M. Brownback, vice-president and Smith E. Walker, cashier, are employees of a life-time with the Millikin and are also the trustees of the estate of James Millikin, who left most of his property for educational and charitable work in the city of Decatur. Fifty-five per cent of the earnings of the bank go to the support of public benefits in Decatur, much of it to the James Millikin University. Thus the Millikin National is in large respects a public institution in Decatur. Recent improvements have placed its vaults and equipment equal to most of the banks of Chicago.

Illinois Notes

Vespasian Warner, president of the John Warner Bank, incorporated, of Clinton, has received news of the death of his son V. M. Warner of San Francisco. The younger Mr. Warner had been engaged in the real estate business in the western city.

John F. Shepherd has resigned as cashier of the First National of Mionok.

VISITS GENOA BANKERS

On his way home from the Rockford good roads convention, William G. Edens stopped off at Genoa and visited local bankers. He found that the senior member of Brown & Farmers State Bank, is confined to his home by illness. The bank's business, however, is being cared for carefully by Miss Flora Buck, its cashier, assisted by the assistant cashier, Mr. King. At the Exchange Bank it was found that the senior member of Brown and Brown is interested greatly in better farming methods being advocated by the Illinois Bankers Association. In fact, in almost every bank one visits these days literature pertaining to agricultural development and education can be found in abundance.

NEW SUMMER RESORT

Edens Avenue, beautiful Pythian and Bass Lake Park, Bass Lake, Mich., is the latest summer resort to get into the limelight.

GOOD ROADS CONFERENCE

The meeting of the goods roads enthusiasts held at the Nelson Hotel at Rockford on April 16th was well attended. Mayor Patterson of Marengo represented the delegation from that city, and was accompanied by E. E. Seward, president of the Dairymen State Bank. Homer H. Wright, president of the Second National, headed the Belvidere delegation; Secretary Howell of the Chamber of Commerce brought a good crowd from Elgin. Secretary Brown of the Rockford Chamber of Commerce secured the attention of some of Rockford's leading business and professional men. William F. Woodruff, president of the Rockford National, was on hand early and greatly assisted in the matter of pulling off a successful meeting. Mayor Bennett of Rockford is enthusiastic in the matter of good roads, and in his welcoming address promised the fullest co-operation of the municipality over which he presides. The fact is that Rockford and surrounding territory enjoys some of the finest permanent roads in Illinois.

Elgin is of course greatly interested in the annual road races and therefore takes a lively interest in the condition of the roads between Elgin and Chicago. Their delegation reported favoring the project of making a permanent road between Elgin and Rockford, and expressed the opinion that they would be able to get the help of highway commissioners as well as land owners along their section of the road which it is proposed to improve. It was stated by Mayor Patterson of Marengo that owing to the lack of drainage and the sandy complexion of the soil the stretch of road between Marengo and Belvidere is in a very bad condition and would be the place that probably would give the greatest trouble in the development of the general plan. The mayor was strong in urging that those who are interested should be well organized, and promised the co-operation of the people of Marengo to the fullest extent. Belvidere's delegation was enthusiastic and felt the necessity of sticking close to the slogan of better roads for the benefit of the farming communities and a general program of better farming and better educational facilities for those in rural districts. They feel that the campaign should not be conducted only for the benefit of automobile users and owners. Captain Oliver, a veteran of the Civil War and a successful highway commissioner of the Rockford District, accompanied by several other highway commissioners of Winnebago county, were present and took an active part in the meeting. States Attorney Donnell, Citizen Hovey of Belvidere, and numerous other delegates spoke feelingly of the need of this development, and expressed the hope that if these towns could secure co-operative effort they might be fortunate in beginning this early in landing one of the trans-state highways from Chicago to some point on the Mississippi River. William G. Edens, president of the Illinois Highway Improvement Association, as well as S. E. Bradt, vice-president of the First National Bank of DeKalb, and chairman of the good roads committee of the Illinois Bankers Association, participated in the discussion.

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661 WEST MADISON STREET, CHICAGO

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President
L. G. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
J. M. HAYES, Assistant Cashier
WILLIAM K. ADAMS, Auditor

DIRECTORS

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Isaac D. Adler
Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
CARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Charles Schriber
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BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

More than one hundred and fifty bankers of southern Wisconsin, among whom were numbered many from Milwaukee, attended the eighth annual meeting of Group 2, Wisconsin Bankers Association, at Madison on Thursday, April 18th. Chief topics of discussion were the new income tax law, the proposed plan for insuring bank deposits, formulated by the special insurance committee of the state association, and the question of limiting the number of bank to the population served. The meeting concluded with a banquet at which F. W. Suhr, of the German-American Bank of Madison, presided as toastmaster. Milwaukeeans attending included William M. Post and Godfrey W. Augustyn, National Exchange; E. H. Williams, Marine National; E. A. Reddeman, Germania National; Edgar J. Hughes, First National; F. X. Bodden, Marshall & Ilsley; A. C. Elser and W. L. Cheney, Second Ward Savings; Walter Kasten, Wisconsin National; E. C. Knoernschild, Merchants and Manufacturers; Mortimer I. Stevens, editor of the Wisconsin Banker; and George D. Bartlett, secretary of the state association. Although Milwaukee is not included in Group 2, it is customary to send delegates to each of the group meetings. J. J. Jameson, First National Bank of Shullsburg, is president of the group, and Milo C. Hagen, Merchants and Savings Bank, Madison, is secretary.

Prison Sentences on "Loan Sharks"

Lawrence A. Wagner, manager of the Em-

ploees' Loan Society, and Kenneth M. Bacon, manager of the C. T. Davis Company, were each sentenced to a fine of \$50 and imprisonment in the county jail five days upon being found guilty of usury before Judge Neele B. Neelen in district court this week. Both men have appealed their cases to municipal court. Lawrence Murphy, who has just finished a three months' sentence at the work house for a similar offense, was first fined \$25 in district court, and received the sentence of imprisonment from Judge August C. Backus of municipal court, following an appeal. The three prison sentences on "loan sharks" are the first to be imposed in the United States.

Annual Banquet of Real Estate Board

Two hundred Milwaukee real estate men attended the annual banquet of the real estate board in the Hotel Pfister following the election of officers for the ensuing year this week. The new officers are: President, E. E. Rogers; secretary, O. J. Schenk; treasurer, Carl J. Remeus.

International Dairy Show

The following directors for the coming International Dairy Show were elected this week: Henry Schoellkopf, S. G. Courteen, Harry W. Lewis, Col. Gustav Pabst, George O'Neil, J. F. Dixon, and F. B. Fargo. This year an effort will be made to unite the National Dairy Show, held last year at Chicago, and the International Dairy Show, held in Milwaukee.

Bills Relative to Dealing in Grain Futures

George A. Schroeder, traffic manager of the Milwaukee Chamber of Commerce, who has just returned from a conference on bills relative to the dealing in grain futures at Washington, believes that the passage of the bills will defeat the very purpose for which they were drawn up, and result in bringing back the old evils of corners and oligarchic control of the grain market.

"So long as trading in futures after the present system is allowed," said Mr. Schroeder, "any man, no matter how small his capital, is able to invest, which prevents artificial manipulation of prices. If this were stopped on the ground that it is gambling, control would pass into the hands of a few men with sufficient capital to operate without resorting to the expedient of futures. As a matter of fact a man who deals in grain futures is taking no more of a chance than one who deals in real estate or large quantities of any staple product."

Henry Kloes Celebrates Thirty-sixth Anniversary with Bank

Henry Kloes, cashier of the First National Bank, this week celebrated the thirty-sixth anniversary of his connection with the bank. Mr. Kloes entered the institution in 1876, and has served it continuously ever since.

Automobile Races at Milwaukee

Milwaukee bankers share in the general pleasure over the fact that the Vanderbilt Cup, and Grand Prix automobile races have been



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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JOHN CAMPBELL, Vice-President
F. X. BODDEN, Assistant Cashier
G. A. RUESS, Mgr. South Side Branch
J. H. TWEEDY, Jr.
GUSTAV RUESS
J. H. PUELICHER, Cashier
H. J. PAINE, Assistant Cashier
S. H. MARSHALL
R. N. McMYNN
C. C. YAWKEY

awarded to Milwaukee for the coming fall. It is possible that special arrangements for the entertainment of state bankers during the races will be made.

New Wisconsin Banks

The incorporation of six new Wisconsin banks was authorized this week by State Banking Commissioner A. E. Kuolt, as follows:

State Bank of Maribel, Maribel. Capital, \$12,500. Incorporators, H. L. Bumdee, J. F. Eng, and J. A. Kellner.

Adams County State Bank, Adams. Capital, \$10,000. Incorporators, C. E. Babcock, G. H. Parham, and Harry W. Barney.

Farmers State Bank, Ablesman. Capital \$18,000. Incorporators, Carl A. Anderson, Charles M. Cooper, and Charles M. Ganzer.

Farmers State Bank, Waunakee. Incorporators, George Schunk and Fred G. Schunk. Capital, \$15,000.

Bank of Elcho, Elcho. Capital, \$10,000. Incorporators, Charles W. Fish, John F. Singer, William J. Litzen.

Farmers State Bank, Schleisingerville. Capital \$15,000. Incorporators, John Rosenheimer, Joseph Rosenheimer, and E. T. Monroe.

Decrease in Corporation Tax

State Revenue Collector F. L. Gilbert states that the corporation tax in 1912 will be considerably less than that of the preceding year, indicating a decided business depression in the western district. As a result of drastic measures under the new legislation, there are only 150 delinquents this year, as against 750 in 1911.

Wisconsin Banking Notes

City Treasurer John M. Peter of Mineral Point was instantly killed last week, when the stone coping of a building under construction fell and buried him under several hundred pounds of debris.

A second attempt to loot the Merrimac bank was made Friday night, April 12th, when safe-blowers were discovered working on the combination of the vault. The would-be robbers were frightened away following the first explosion, which failed to break the lock, and escaped empty handed.

C. H. Dahlstrom has been elected cashier of the State Bank, Milaca, Minn.

Philadelphia

Bank deposits in Philadelphia are now at about the highest point of the year, having increased over \$6,360,000 last week for individual account. This raised the total of that fund to \$295,118,000 against \$183,129,000; and deposits of banks aggregate \$137,753,000 compared with \$134,301,000. The due from banks items reached \$57,489,000 or nearly \$6,500,000 in excess of a year ago. While this expansion has been in progress the loan account has kept increasing in almost like proportion. Total credits foot up \$387,969,000, or \$123,892,000 greater than at this period in 1911, but the figures this year include seven trust companies.

With the exceptions of 1911 and 1908 the surplus of local institutions for the season stands at the largest recorded in over ten years, amounting to \$9,815,000, against \$10,041,500 in 1911; \$8,929,750 in 1910; \$9,700,500 in 1909, and \$11,880,750 in 1908.

NEW SECURITIES IN UNLISTED DEPARTMENT

Following are the new stocks and bonds, mostly well known, which have been admitted to trading in unlisted department of the Chicago Stock Exchange:

Stocks

American Chiclet Company, common and preferred.

Beatrice Creamery, common and preferred.

Brunswick-Balke-Collender Company, preferred.

Creamery Packing Company, capital stock.

General Motors, common and preferred.

Inland Steel Company, capital stock.

Northwestern Gas, Light and Coke Company, capital stock.

Pacific Gas and Electric, common and preferred.

Public Service Company, common and preferred.

M. Rumley Company, preferred.

Union Carbide Company, capital stock.

Bonds

Automatic Electric Company, 1st 6's, 1929.

International Harvester Company 5 per cent notes, 1915.

Milwaukee Electric, new gen. and reldg. 5's, 1951.

North Shore Gas Company, 1st 5's, 1938.
Pacific Gas and Electric Company, gen. and reldg. 5's, 1942.

California Gas and Electric Company, unf. and ref. 5's, 1937.

Milwaukee Gas Light Company, 1st 4's, 1927.

Milwaukee Electric Railway and Light Company, 1st 5's, 1926.

Milwaukee Electric Railway and Light Company, ref. and ext. 4½'s, 1931.

National Tube Company, 5's.

Illinois Steel Company, Deb. 4½'s, 1940.

Indiana Steel 5's.

Inland Steel First 6's.

United States Steel Company, sinking fund 5's, 1936.

Public Service 1st and ref. 5's, 1956.

North Shore Electric Company, 1st 5's, 1922.

North Shore Electric Company, 1st and ref. 5's, 1940.

Pacific Tel. & Tel., 1st coll., 5's, 1937.

Swartzchild Sulzberger Company, deb. 6's, 1916.

Sulzberger & Sons, sinking fund deb. 6's, 1916.

Southern Bell Telephone Company, 1st S. F. 5's, 1941.

American Tel. & Tel. Company, coll. 1st lien 5's, 1930.

Tri-City Railway and Light, coll. 1st lien 5's, 1923.

Tri-City Railway and Light, 1st ref. 5's, 1930.

Aurora, Elgin and Chicago, 1st ref. 5's of 1946.

United States Gypsum Company, 1st 5's, 1922.

General Motors, 6 per cent notes of 1915.

Kansas City Railway and Light, 6 per cent notes, 1912.

William R. Dawes

William R. Dawes, vice-president and cashier of the Central Trust Company of Illinois, called on Cincinnati banking acquaintances on Wednesday.

L. C. Simons, of St. Paul, have bought the First State Bank of Waubun, Minn., and will merge it with the Waubun State Bank, which they control.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

JACKSON JOHNSON, Vice-Pres.
FRANK O. HICKS, Vice-President

EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, April 17.—The demand for money at this point is broadening materially, and indicates a decided picking up in all lines of activity. The heaviest inquiry is from the country, and that will continue to be a factor for some time to come. Local bankers look for heavier borrowing from the rural districts this spring than has been the case at the same season for many years. There are a number of things which will cause this, chief among them being the lack of corn and fodder in the Southwest, and the high prices of those products. The local demand is livening up considerably, but it is in spots and not quite general yet. One bank president said that two large concerns which have not taken a dollar from his institution for more than a year have not their full limit of credit, and similar information was given at other banks. Rates are firmer. Commercial paper which two weeks ago was selling at 4 per cent is now freely offered at from 4½ to 5 per cent. It is a noticeable fact that the larger banks, especially those handling much crop business, have stopped annexing commercial bills for the moment, preferring to use their resources for their country customers, or husbanding them for future demands from that quarter. Collections are reported for the most part satisfactory, except from the flood-stricken districts in the Mississippi Valley. The flood is the one gloom spot in the situation at the moment.

Crop Outlook Bright

In spite of the weird reports of the "crop killers" in the pay of certain prominent grain houses, it is firmly believed by the well informed, that the outlook for crops is excellent. The pessimistic advices circulated this week and last by the "experts" are known to be grossly exaggerated, and colored to suit the affiliations, bull or bear, of their employers. Bankers and business men in this section deprecate these reports, as they have a tendency to shake returning confidence. To the initiated they have no terrors, it being well known that it is but a part of the manipulative scheme, but to the rank and file consumers and business men the effect is most unfortunate.

Missouri Bankers Convention

W. F. Keyser of Sedalia, the active and excellent secretary of the Missouri Bankers Association, has completed the program for the twenty-second annual convention, to be held at Joplin, May 21st and 22d. In addition to the program, Mr. Keyser has secured an open rate of 2 cents a mile in each direction for persons desiring to attend. More interest seems manifest in this year's meeting than has

been the case for a long time, which is attributed to the numerous important issues that will come up, and to the features of the program and hospitality offered by Joplin. Speakers from four states will address the convention. Among the St. Louisans scheduled to speak are James E. Smith, president of the Equitable Surety Company, and William McMartin of the Mississippi Valley Trust Company. Detective William J. Burns, of McNamara fame, will make an address. An elaborate entertainment schedule has been arranged for visiting bankers and their ladies. This includes a banquet and ball at the Connor Hotel, and smoker and vaudeville entertainment in the roof garden of that hostelry.

Picking Up in Real Estate Activity

Real estate departments of the various trust companies report a decided awakening in their line. The number of loans is exceptionally heavy, and transfers and leases indicate considerable demand. During the past month the Mercantile Trust reports several important real estate deals, among them the lease of the old Butler Brothers building to Renard & Co. Building is also on the increase, especially in the business districts, and thus far the season has produced nothing serious in the way of labor difficulties in the building trades.

William H. Lee Optimistic

William H. Lee, president of the Merchants-Laclede National, is rather optimistic relative to the financial and business outlook in the Middle West. He believes this year and next will develop a return of excellent business conditions. "Last year," says Mr. Lee, "the character of business might be described as good, with small profits. The feeling now, and the prospects, are decidedly better. There is a demand from the farmer in this region which is not appreciated by eastern bankers, owing to the big failure generally of the corn and hay crops in Texas, and generally in the

Southwest. Large sums have been required to feed stock until the new crop comes. This is a feature which has not been experienced to any great extent during the last few years. Things in all lines are undoubtedly looking up, and prospects are that things will continue to get better."

Will Spend Lots of Money

According to E. S. Bloom, second vice-president of the Bell Telephone Company of Missouri, that corporation will expend \$3,000,000 in this state in improvements and extensions this year. Mr. Bloom has just completed an inspection of the properties in Missouri, Oklahoma, Arkansas and Texas. Headquarters have been opened in the New Bank of Commerce building, from which the operations will be conducted. In addition to the expenditures to be made in Missouri this year, the company will spend nearly \$10,000,000 in this territory within the next eighteen months.

St. Louis Stock Exchange

The new board of directors of the St. Louis Stock Exchange has organized and named its various standing committees, as follows: Admission—J. D. P. Francis, chairman; John W. Donaldson, Lewis R. McGeary, J. P. Newell, F. H. Semple. Arrangement—Charles McL. Clark, chairman; A. H. Brown, John F. Betts. Finance—Louis Barklage, chairman; B. C. Jinkins, A. H. Bauer. Listing—A. D. Grant, chairman, H. B. Collins, Louis Barklage. Arbitration—H. F. Knight, chairman; G. H. Walker, M. Kotany, J. D. P. Francis, H. C. Stifel. Commissions—A. H. Bauer, chairman; E. A. Gessler, R. D. Kohn. Law—William C. Little, J. H. Dieckman, and M. Kotany. Printing—Edward F. Otto, chairman; M. C. Steinberg and C. S. Glaser. Harry S. Rein was re-appointed assistant secretary and chairman, and J. Clarence Taussig, counsel.

Bond Bids Sought

At a meeting of the state board of fund commissioners this week it was decided to advertise for bids for the remainder of the new capitol bonds, aggregating \$2,250,000. Under the supreme court decision in Church vs. Hadley, a brokerage commission can be paid for the sale of this issue.

CHICAGO BANKERS VISIT DAVENPORT

August Blum, vice-president of the First National of this city, and H. O. Edmonds, vice-president of the Northern Trust Company, visited Davenport this week to witness the opening of the magnificent new building of the German Savings of that city.

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

United States Government Depository.

The National Stock Yards National Bank
National Stock Yards - Illinois

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of New York
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Nemours Powder Co.
DESMOND DUNNE
Pres. Desmond Dunne Co.
ELLIS P. EARLE
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Pres. Standard Steel Car Co.
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Chairman of the Board
FRANK J. HEANEY
Everett, Heaney & Co.
AUGUST HECKSCHER
Vice-Pres. Eastern Steel Co.
RICHARD H. HIGGINS
Vice-President

Capital and Surplus
\$3,000,000

THE
CHATHAM
AND
PHENIX

NATIONAL
BANK
New York

LOUIS G. KAUFMAN, President

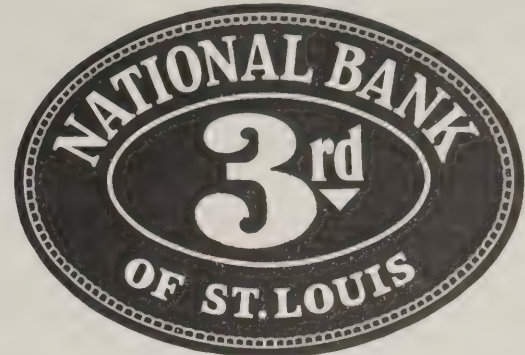
FRANK J. HEANEY, Vice-President
WILLIAM H. STRAWN, Vice-President
BERT L. HASKINS, Cashier
HENRY L. CADMUS, Assistant Cashier
WALTER B. BOICE, Assistant Cashier
GEORGE M. HARD, Chairman
RICHARD H. HIGGINS, Vice-President
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Pres. General Chemical Co.
ALBERT A. TILNEY
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FR'D'K D. UNDERWOOD
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JOHN D. VERMEULE
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SAMUEL WEIL
Samuel Weil & Son
FRANK S. WITHERBEE
Pres. Witherbee,
Sherman & Co.
JOSEPH H. WRIGHT
Pres. U. S. Finishing Co.



CAPITAL
\$2,000,000

SURPLUS
\$2,000,000

DEPOSITS
\$35,000,000

C. H. HUTTIG . . . President	T. WRIGHT . . . Vice-President
G. W. GALBREATH . . . Vice-President	R. S. HAWES . . . Vice-President
J. R. COOKE . . . Cashier	H. HALL . . . Assistant Cashier
D'A. P. COOKE . . . Assistant Cashier	E. C. STUART . . . Assistant Cashier

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K. N. & K.

Letters of Credit and Travelers' Checks

Available Everywhere

Your own Banker can supply them

KNAUTH, NACHOD & KÜHNE, Bankers
NEW YORK
LIEPZIG, GERMANY

NEW POSTAL DEVICE

Former Postmaster F. E. Coyne has a very neat device in the Pitney postal machine which he has had on exhibition at Room 214 of the Hotel LaSalle for several days. Business men and postal officials who have seen the machine in operation unite in the expression that it is the most practical time, labor and money-saving device ever submitted to the postoffice department. Mr. Coyne will take the machine to Washington for further test by the department.

SPOKANE BANKERS BACK

Spokane, Wash.—D. W. Twohy, of the Old National, and E. T. Coman, of the Exchange National, have both returned from spending the winter in California and Islands of the Pacific. Mr. Coman is highly optimistic about the outlook, and especially the result to this country after the Canal is opened. He believes that the Inland Empire will, within a short time, feel the good results of the prosperity, which is made prevalent in the Southwest by the coming of the exposition and the canal. Mr. Twohy, although he says he did not pay much attention to commercial activity, endorsed Mr. Coman's statements of prosperity in the South.

WILL NOT ATTEND REPUBLICAN CONVENTION

Frank Connell, director of the Second National Bank of Erie, Pa., will not attend the republican convention as a delegate for President Taft; Teddy got to Erie first. Strange faces will be seen from that district.

Mark Hanna

A splendid volume of nearly 500 pages has been issued by the Macmillan Company, entitled "Marcus Alonzo Hanna: His Life and Work," by Herbert Croly. The work of collecting the material for this fine volume largely was done by James B. Morrow, for many years editor of the "Cleveland Leader" and life-time personal friend and admirer of Senator Hanna. He had little to work upon, for probably no political leader of similar prominence in modern times ever left so little of a public record as did Mr. Hanna. He never sought notoriety, never played to the galleries and never courted publicity. He was a man of action, silent and persistent in all of his habits both political and business. He never told in advance what he was intending to do. He looked alone for results. It therefore was almost impossible for his biographers to secure an adequate and well-connected narrative of his life. They have amassed a great many valuable documents contributed by friends, and the work is illustrated fully in a personal way. The portraiture begins when Mr. Hanna was but three years of age. Even Mr. Hanna's correspondence was decidedly limited when compared with the things which he accomplished in his lifetime. A large part of his work was of such a personal nature that not even a private record of it is obtainable. It therefore is astonishing that Messrs. Morrow and Croly have been able to produce such an extensive, well-written and interesting narrative of one of America's most prominent and successful political leaders. A vast majority of the American people believe that Senator Hanna's con-

tribution to the public welfare of this country not only was indispensable, but invaluable. This book is splendidly printed and bound and retails for the modest sum of \$2.50.

ELECT OFFICERS

At the annual convention of the Florida Bankers Association held at Key West, April 4th and 5th, George W. Allen, president of the First National of Key West, was elected president of the association. The other officers chosen are: First vice-president, J. J. Heard of Jacksonville; second vice-president, W. S. McClellan, Eustis; third vice-president, S. C. Harrison, Jr., Jacksonville; fourth vice-president, L. A. Fraleigh, Madison; secretary-treasurer, G. R. DeSaussure, Jacksonville; executive committee: Chairman A. F. Perry, of Jacksonville and Carl Warfield, of Pensacola; H. G. Aird, of Jacksonville; Z. C. Chamblis, of Ocala; Thomas P. Denham, of Jacksonville; vice-president for Florida of American Bankers Association, Bainbridge Richardson, of Jacksonville; delegates to the American Bankers Association: A. F. Perry, of Jacksonville, to represent the banks; H. G. Aird, of Jacksonville, to represent the trust section, and J. B. Puller, of St. Augustine, to represent the Savings Bank Section.

The next meeting of the association will be held at Hotel Continental, Atlantic Beach, fifteen miles from Jacksonville.

BANK OF NEW YORK

Bank of New York, New York City, has appointed Joseph Andrews, cashier, and Harvey E. Whitney and William Reid, assistant cashiers. George P. Hall has resigned as assistant cashier after forty-one years of service.

Editorial Comment

WHO IS RESPONSIBLE?

THE CHICAGO BANKER has received a complaint from a well-known down-state private banker, not that he has been misrepresented or abused in these columns, but that he feels that himself and the other private bankers as well as the small incorporated institutions have been treated unfairly by the Illinois Bankers Association in a most unusual way. He recalls the understanding had between the private bankers, and those having in charge the preparation of the new constitution, by which it was agreed that the new by-laws should not increase the dues of the "little fellows" who had been paying \$5 per year to the association. Following is his communication:

"I write to THE CHICAGO BANKER, not in protest over its advocacy of bank supervision throughout the state, upon which subject I am open-minded, but to protest against further collections of dues at the rate of \$6 per year from the small private and incorporated banks belonging to the Illinois Bankers Association. I was among those entrusted with negotiations between the private bankers and the organized bankers in an effort to adopt a new constitution, and remember well that it was agreed that the dues of the small private bankers, nearly all of whom fall within the \$5 membership, should not be increased. I have a copy of the new constitution and by-laws as agreed upon, and it shows that the dues of the smaller banks were to have been \$5 per year. Six months later the proceedings book covering the Springfield convention comes out and the dues are raised from \$5 to \$6 per year. I have spoken to a number of those who were deeply concerned in the negotiations above referred to, and to Mr. Woodruff, who seemed to have the entire matter in charge, and without exception they assure me that the constitution went before the convention, and was adopted as written with the lowest dues at \$5 per year. As I understand it no officer nor the administrative committee has any right to alter the constitution except by the process of amendment. I think the responsibility for this act should be fixed and effective punishment inflicted."

Our correspondent reports the circumstances of the agreement upon the adoption of the new constitution as remembered in this office. The annual dues of all other classes except the "little fellows" were raised for the purpose of increasing the revenues of the association. There does not seem to be any authority in the constitution for anyone whomsoever to change arbitrarily such an important item as the rate of annual dues for a large part of the membership. The officers of the Illinois Bankers Association are spending about one-third of its revenues in seeking out those who are guilty of changing the figures on such matters as drafts, checks and other credit instruments. If they have within their own body anyone who has taken the liberty of interfering with the figures of the rate sheet of the new constitution that matter should be determined at once, and some form of punishment insisted upon. There are a great many members of

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

the association who know quite well whether or not the original document, which probably still is in existence, contained the words, "Five Dollars per Year," for the lowest class of membership. It will be an easy matter to trace the subject from that point to the point where the change was made. Any money collected from members on a false basis should be refunded promptly. Altering the wording or intent of the constitution except by regularly voted amendments is a matter of sufficient gravity to justify a special meeting of the administrative committee if not of the whole council.

GEORGE M. REYNOLDS ON CONDITIONS IN CALIFORNIA

George M. Reynolds, one of America's leading bankers and financiers, returned last week from a two months' vacation in California. He takes a very optimistic view concerning the future of that great state. Notwithstanding the fact that underlying conditions in California have been good, business as a whole on the coast has seemed to be below normal. No doubt this can be attributed to frosts in the fruit-growing sections, and a general drought throughout the state which delayed the beginnings of the annual rainfall until after March 1st. San Francisco is progressing but slowly. The people seem to be interested more in the future than in the present. It is expected that the beginning of actual work in preparation for the Panama Exposition will give employment to a large number of people, which will have a tendency to increase business. Los Angeles is going forward steadily and consistently, both in the matter of population and prestige in the business world. Mr. Reynolds was impressed by the fact that there are fewer real estate transactions than formerly. He says, however, that prices continue to hold firm. San Diego also is progressing rapidly. It has doubled its population in the last three years. In the past there have been large areas in California which could not be cultivated owing to the scarcity of labor. It is expected that the completion of the Panama Canal will have a tendency to cause an increase in immigration, and thereby obviate this condition. It is said that upon the completion of the canal settlers from Europe can be brought through the canal and landed in Los Angeles or San Fran-

cisco for from only \$6 to \$9 greater fare than now is required to land them in New York.

URGENT NEED OF GOOD ROADS

The American farmer pays two and one-half times as much to send his produce to market as do the farmers of England, France and Germany. The average cost of transportation in this country is 25 cents per ton per mile, while the cost in England, France and Germany is only 10 cents. This great difference may be attributed to the deplorable condition of many of the American roads. It is estimated that about 15 to 20 per cent of our public roads carry from 80 to 90 per cent of the traffic. With the roads in their present condition it costs the American farmer 1.6 cents more to haul a bushel of wheat 9.4 miles from his farm to the railroad station than it does to ship it from New York to Liverpool. It is to be hoped that the various good roads organizations which recently have been formed will prosecute their work vigorously and ultimately secure for the country modern roads, enabling it the better to compete with foreign nations in the matter of trade.

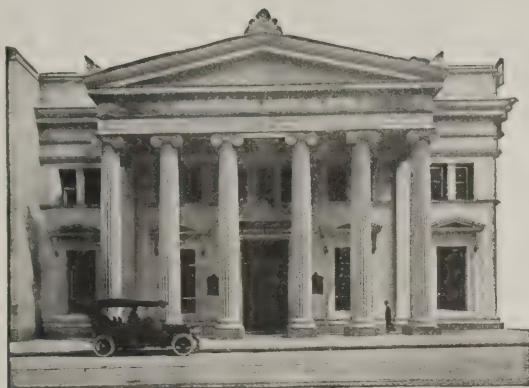
SPLENDID TRIBUTE TO MR. TAFT

No higher tribute could come to a public man than that paid to President Taft by Secretary Walter L. Fisher, long-time friend, boomer, and appointee of ex-President Roosevelt. In his talk at Grand Rapids Mr. Fisher said: "I became president of the Conservation League of America at the suggestion of President Roosevelt and Gifford Pinchot. I was for the colonel for president when he was only a lieutenant-colonel, in 1898, when he had not yet been nominated for governor of New York. I was one of a little group of enthusiasts in the city of Chicago who flung to the breeze a banner inscribed 'For president, 1904, Theodore Roosevelt.'"

The secretary declared his confidence in President Taft had "deepened into conviction with closer acquaintance and a greater knowledge of the ability and energy with which he is always working for the promotion of the public welfare."

Mr. Fisher made a hit when he argued that Taft had advanced mightily because of the attacks of the Steel and other trusts on one hand and those of Roosevelt and LaFollette on the other. "You can be pretty sure," said Secretary Fisher, "that any public man is in the middle of the road when he is attacked by big business upon the one side and by those who are seeking to advance their personal interests by attacking big business on the other."

Mr. Fisher said he had entered President Taft's cabinet "because nothing but a lack of confidence in the sincerity and high purpose of President Taft would justify a refusal of his call."



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D. R. FORGAN TALKS TO REALTY MEN

David R. Forgan, president of the National City Bank, who talked on "The National Reserve Association of the United States," at yesterday's weekly luncheon of the Chicago real estate board, made a strong plea for a greater business interdependence, saying that only by the people of this country grasping the full meaning of the word is there any hope that the present feeling of unrest, now so pronounced, will give way to a feeling of contentment.

He declared that this country has the best banks and the poorest banking system of any of the great nations of the world, where the recurring periods of financial panics and consequent bank suspensions are unknown.

He said that it was a national disgrace that this country, with greater natural resources than any other, with more gold than the combined great nations, should suffer from such a cause.

John L. Hamilton

Col. John L. Hamilton of Hoopston has been elected a delegate to the Chicago presidential convention in June. He is for Roosevelt, while his fellow delegate—Len Small—if left to his choice, probably will be for Taft.

NEW POSITION CREATED BY WAYS AND MEANS COMMITTEE

The ways and means committee of the Chicago Association of Commerce recently has authorized the creation of the position of vice-chairman of the various subdivisions of that committee. Subdivision II, banks and bankers, unanimously has elected W. G. Schroeder, vice-president of the Continental and Commercial National, vice-chairman of its committee. Messrs. Edens, Henschen, Kent and Grimme are the other members of this important committee.

BANKERS MEET AT WICHITA

Wichita, Kan., April 17.—Two hundred and fifty members of the Kansas State Bankers Association are in session in this city in the first annual meeting of the association. An address by W. E. Wilson of Washington, Kan., secretary of the Kansas State Bankers Association, was one of the features of the day's meeting. Mr. Wilson stated the association has gained more than 50 per cent in membership during the year, and is making rapid strides in every way. The present membership is 416.

Jas. G. Wakefield

James G. Wakefield, assistant cashier of the Corn Exchange National, has resumed his duties at that bank. Mr. Wakefield has been on the sick list for some time.

NEW GERMAN SAVINGS BUILDING AT DAVENPORT

On Monday last the famed German Savings of Davenport, Iowa's largest bank, opened up in its new building, one of the finest in the country.

Everybody had received souvenirs Saturday (moving in day) in the form of carnations and cigars but Monday was reserved for the stockholders in this respect. In honor of the bank occupying its new home, the stockholders received a special dividend of 20 per cent, the dividend checks amounting to \$120,000. In addition to the regular 16 per cent annual dividend, this will make a total dividend of 36 per cent for the year 1912, amounting to \$216,000. In addition to this fine showing, the new bank building is paid for out of earnings and \$50,000 has been added to the surplus fund.

Probably the finest array of cut flowers seen in Davenport for some time were on display at the new bank building. In these beautiful tributes were embodied the greetings and well wishes of many friends and patrons of the bank. These contributors were:

Northern Trust Company, Chicago, two mammoth floral offerings, one for the bank and the other an individual recognition for President Charles N. Voss; Rock Island Savings; Homer A. Miller, president, and H. T. Blackburn, cashier, Iowa National, Des Moines; Nelson H. Greene, vice-president.

Peoples Savings Bank and Trust Company, Moline; German-American Savings, Marengo, Iowa; Byron L. Smith, president, Northern Trust Company, Chicago; Iowa National, Davenport; Scott County Savings, Davenport; Davenport Savings.

Prominent outside bankers and business men who called at the bank and paid their respects to the management included the following: H. O. Edmonds, vice-president, Northern Trust Company, Chicago; August Blum, vice-president, First National, Chicago; W. M. Davis, president, Johnson County Savings, Iowa City; George L. Falk, cashier, Johnson County Savings, Iowa City.

The present officers of the bank are:

President—C. N. Voss.

Vice-President—D. H. McKee.

Vice-President—H. O. Seiffert.

Cashier—Ed. Kaufmann.

Assistant Cashier—Frank C. Kroeger.

Directors—F. H. Griggs, T. H. Murphy, H. O. Seiffert, F. G. Clausen, Ed. Kaufmann, J. J. Richardson, Henry Braunlich, E. C. Mueller and C. N. Voss.

Since the German Savings Bank was organized in 1869, \$1,847,700 has been paid out in cash dividends and \$435,000 in stock dividends. The last year's interest on deposits alone amounted to \$324,000. Interest rates on deposits were at first 6, later 5, and at present 4 per cent.

According to the 86th semi-annual statement issued the 30th of last month, the financial condition of the bank shows resources of twelve and a quarter millions.

Henry S. Henschen

Henry S. Henschen, cashier of the State Bank of Chicago, left Chicago for New York on April 17th. On April 20th he expects to sail on the "Lapland" for Europe for a two-months vacation.

CASH PRIZE OFFERED

One of the St. Louis trust companies is offering a prize of \$150 for a letter on the subject of putting their banking room in their new building, which they are about to erect, on the second floor instead of the first, as is the custom in the East and in Europe.

"MADE IN CHICAGO"

In advertising novelties the trade-mark "Made in Germany" has had a distinct selling influence. The "Made in Chicago" Show and Home Products Exposition will be held at the Coliseum, October 5th to 13th. This is a trade-mark which should be patronized and boosted by Chicago manufacturers and buyers.



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T. S. MORRISON Vice-Pres.
JAS. A. GRAY, Jr. Sec. & Asst. Treas.

RANKS MISSISSIPPI DAM NEXT TO PANAMA CANAL

What he calls the greatest engineering work of the century next to the Panama Canal—the huge power dam across the Mississippi at Keokuk, Iowa, is described by G. Walter Barr. This great dam, now half finished and expected to be completed early next year, will create the largest power plant in the world. The power developed at Keokuk—300,000 mechanical horse power—will be about three times the power now used in manufacturing in the whole state of Iowa; greater than all the power now used in Missouri, and one-third as great as the power now used in Illinois, including Chicago and its environs. This great Mississippi river plant is at the junction of the three states, Iowa, Missouri and Illinois.

It will be finished shortly before the Panama Canal. The lock provided for steamboats to pass the dam is greater than any one lock on the Panama Canal, having the same width and a lift of forty feet, compared with a maximum lift of only thirty-two feet on the isthmus. The Keokuk lock is four hundred feet long, and there is also a large dry dock for the use of the United States government.

Sixty-Five Miles of Deep Water

Incidentally the dam will provide sixty-five miles of deep water navigation on the Mississippi and that, too, at a point where the river has never been navigable because of the Des Moines Rapids. These rapids are now flanked by a government canal, which cost \$8,000,000, but which will be no longer needed when the dam is finished, thus relieving the government of prospective large cost for repairs and about \$40,000 annual expenditure for operation.

The stockholders of the Mississippi River Power Company are largely British and Boston citizens. The preliminary work of promotion was done with money chiefly from appropriations by the city councils of Keokuk, Iowa, and Hamilton, Ill., at opposite ends of

the dam. The capturing of the capital of about \$27,000,000 and the building of the dam are the achievements of Hugh L. Cooper, hydraulic engineer. The three states asked congress to grant the company the rights it needed, and the company in return agreed to build the lock and dry dock for the government and provide power for their perpetual operation besides relieving the war department of providing a permanent channel for sixty-five miles along a difficult part of the river.

"So large is this water-power development," says Mr. Barr, "that it will shift the manufacturing center of the United States, and greatly change the map of industrialism in this country."

Eras of Manufacturing Power

"It is a long step forward in the evolution of power for manufacturing in America. This evolution has been somewhat of a return to the type in this nation of great natural resources: First, there were water wheels in New England and other streams with mills on the banks; then came the era of coal, which built up Pennsylvania; now the movement is toward turbine water wheels turning dynamos which make power in a form that may be transmitted easily to machines hundreds of miles away from the river. A similar change has occurred industrially: In the first era, the raw materials were taken to the power, because the power could not be moved from the overshot wheels; in the era of coal, there came a time when the transportation of the fuel was cheaper than the carriage of the raw materials, and some industries moved to the source of supply of the latter; now, power makes such a large part of factory cost that the movement is of factories to the power, as in the beginnings of manufacturing in this country."

"These economic principles have much to do with the evolution of all parts of the United States, which have water power

capable of being changed into electric power, which is also the cheapest power the world has ever known, due partly to economy practicable in its use at the machines."

Use in Zone of 150 Miles

The power will be sold at a lower price than that now paid for the power developed at Niagara. This one power house has an output of electric power slightly over half that generated by all the companies, on both sides the international boundary, at Niagara Falls. It will be used within a zone of 150 miles radius from Keokuk, and chiefly along the Mississippi River, if present plans do not miscarry; it is desirable to use the power near the site of the dam and power house—not on account of loss in transmission in these later days so much as on account of the cost of maintaining transmission lines and the necessity of buying right-of-way for these lines as wide as a railroad requires. St. Louis, 135 miles distant by air line, has contracted for 60,000 horse-power for ninety-nine years. The current will be taken there by a transmission line now building, which will carry 110,000 volts, the highest electric pressure ever used to transmit power.

Analysis of several hundred water power developments all over the world, Mr. Barr says, shows that in every case the population within the zone use of the power rises to five times the horse power developed. Applying that to the Keokuk development and subtracting the power sold to St. Louis gives 1,200,000 of population to be added to the vicinity of the big dam—say within fifty miles. Mr. Barr also points out that this great producing force is located at the center of a great area of consumption, the Mississippi Valley, and is also close to raw materials, such as cotton, wool, leather, iron, and what not. Besides this, it has the advantage of the great river as a freight rate maker, and the people along the Mississippi, too, are looking forward to developments as a result of the opening of the Panama Canal, providing an all-water route to western South America and to the orient.

DEPARTMENT STORE BANKING

Attorney-General Carmody's recent opinion regarding receipts of deposits by department stores referred to only one store in New York City. This corporation had not been complying with the regulations of the private banking law and Superintendent Van Tuyl asked the attorney-general to hand down an opinion concerning the legality of the business.

Department stores in New York City that do a banking business comply with the private banking law by making deposits with the comptroller of \$100,000 in bonds, receive a license and thereby become exempt from the regulations of the code. All have done so except the particular one against which the attorney-general ruled.

OUT-OF-TOWN VISITORS

Among Chicago's visitors the past week are the following: W. A. Armstrong, cashier of the Peoples Trust and Savings of Galesburg; James L. Mitchell cashier of the Capital National, St. Paul; Harry W. Lukins, cashier Streator (Ill. National); Dean H. Lightner, vice-president Citizens Trust and Savings, Aberdeen, S. D.; W. W. Mills, president of the First National Bank, Marietta, Ohio.

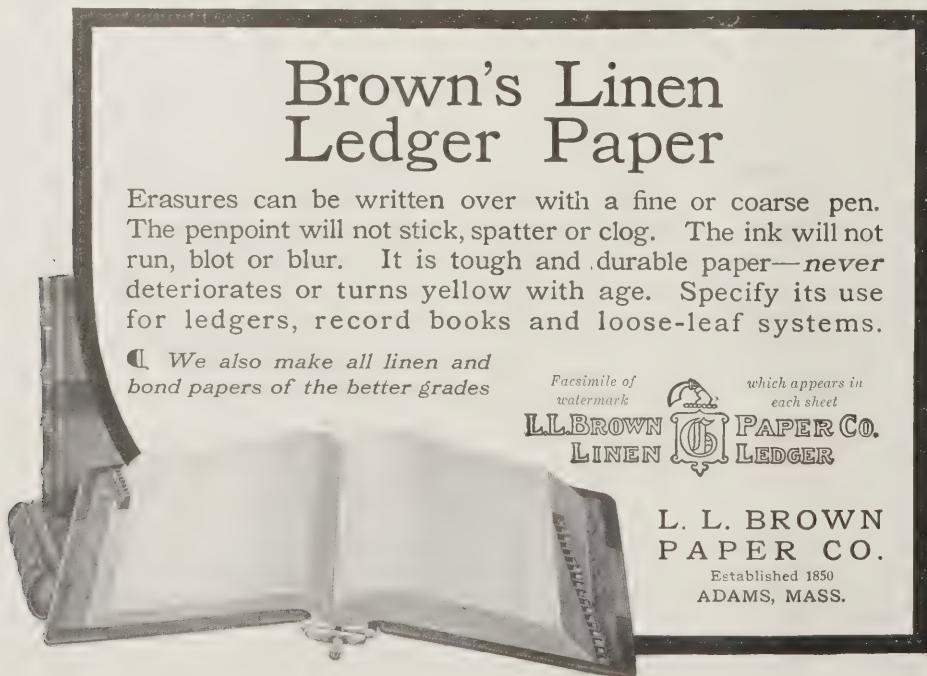
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The First Bankers and Their Methods

Modern bankers owe their fundamental methods of doing business to the old traditions of earliest ages. For human nature has been the same all down the line and there have always been borrowers and lenders. But experts put the origin of the present banking system in Italy and give Venice as the birthplace of modern banking. The first activities of the early Italian banks consisted in the farming out of taxes.

The bankers were private individuals and conducted their business without much relation to each other or to the government. When the republics of Italy wanted money, they would get it from these bankers and give them the privilege to lay taxes to recompense themselves. The first notes of the Middle Ages, it is said, were invented by the Jewish money lenders and bankers in their inside transactions. This was done to avoid the open passing of money.

Historians have tried to reach the very first beginnings of the banking system, but they find that the origin of banking is lost in remotest antiquity. The modern banker is often styled a dealer in credit while in ancient time those who might come under the broad designation of bankers were custodians of money, buyers and sellers of foreign exchange. The bill of exchange has been said to be the credit instrument first handled by the bankers, and explorers in Assyria report that they have discovered evidences of it there several thousand years before the dawn of the Christian era.

In Rome and Athens there were men who might be styled bankers, for they made it a business to receive money on deposit. They bought money and foreign bills of exchange. At first they made their profits from commissions on deposits, historians find, and from the exchange of domestic for foreign money. Later they became dealers in bills of exchange and loaned money which had been intrusted to them. These money dealers are mentioned by Livy in 350 B. C., and Latin literature of a later date frequently refers to them. They were not in good repute, did not belong to the patrician class and had no social status. The nobles and the common people despised them.

"Our word bank comes from the Italian 'banco' or bench," explained Dr. Albert C. Bonaschi of the Italian Chamber of Commerce, who is also in charge of an Italian supplement which Dun's Review is to issue. "The word bench was used because the early money changers stood at one side of the counter and his clients were at the other.

"The first bank was started in Venice about the twelfth century. The Bank of Genoa was opened about a century later. The most important work of this institution was to farm taxes. They used to get so much per cent on

the loans they advanced to the government and would pay a certain sum to the people who put the money in the bank. The difference was the dividend. The Bank of St. George in Genoa about the fourteenth century became the most important banking institution in the world, and it was the first clearing house that was ever established. Once a year all merchants used to clear their accounts through the Bank of St. George, although the actual clearing was not had in Genoa, it being an independent republic with no allegiance to the Roman-German Emperors. Therefore the clearing was made in Piacenza, which was a city governed by imperial statutes and therefore more of an international character.

"The Bank of St. George was a sort of clearing house for maritime business. At that time the captain of a vessel was usually its owner and of the cargo. He would take the merchandise to some Mediterranean ports and get part cash and part notes for freight and cargo. Then he would load other merchandise purchased by him for some other port and pay part cash and part notes. And all those notes would be cleared through the Bank of St. George.

"The Bank of St. George in the middle of the fifteenth century became a government bank, practically. It consolidated all the debts of the republic, paid them and receiving the interest from the government divided this

among those that had paid their money to the government through the bank or wanted to have their names inscribed on the books of the public debt held by the bank.

"It came to this, that the Bank of St. George was really a state over the state and if the majority of the stockholders did not like certain enterprises into which the republic was about to plunge they would not give the money. It is to be said that they never refused to loan money to the republic for a good or profitable purpose. In fact, the acquisition of the island of Corsica was made through the money of the Bank of St. George.

"In Florence the situation was different. The banks were all what we would call private institutions and the most important among them were the firms of Peruzzi, Bardi, Medici, Pitti and Acciaiuoli who were also leading citizens in politics. The Medici eventually succeeded in being the hereditary Signors of the republic.

"The Florence bankers were well known in London, where the way for them had been paved by goldsmiths and merchants from Milan who were also money lenders. And in fact Lombard Street is to-day the financial centre of England.

"The Florentines supplanted the Lombards in their business, and their lending of money was especially on chattel guarantees, the Magna Charta forbidding the mortgaging of certain estates as long as the chattels were available for guarantee.

"On their doors there was the three leaf lily as a sign, the lily being the emblem of Florence, and this is why the pawnbroker to-day has the three balls as his sign, which is nothing else than the evolution of the three leaf lily. Their money lending was fiduciary, the honesty and the credit of the institution being thought the best guarantee. Among the largest loans in England were those made to Edward II and Edward III for their wars with France. In 1345, the firms of Peruzzi and Bardi failed, which was calamitous for the national finance of the Republic of Florence. Edward III owed the Bardi nearly 1,000,000 florins gold, and to the Peruzzi 600,000, while the King of Sicily owed to each of them over 100,000 gold florins. A florin was worth \$2.50, but considering that the interest at that time was 25 or 30 per cent, its value on the financial market would correspond to-day to nearly \$15. This means that on two single loans Bardi and Peruzzi had paid out over \$25,000,000. They were never able to get the money back from the English kings and the suit by the Peruzzi against the English crown was ended only five years ago. The English crown pleaded the statute of limitations. It was

(Continued on page 25)

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CHAS. H. MOORE, Vice-President
JAS. T. BRADLEY, Cashier

Surplus, \$500,000

CHAS. M. VINING, Assistant Cashier
W. H. GLASKIN, Assistant Cashier
JAS. F. MEADE, Assistant Cashier

Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

Since announcement was made several weeks ago of the formation of a railroad clearing house in Kansas City to handle freight bills and reduce expenses of administration and accounting, the Kansas City branch of the American Association of Local Freight Agents has been flooded with inquiries, many of which have been from bankers. The scheme is so novel as to make a direct appeal to banks which desire to handle railroad freight bills, and for the benefit of those who may have overlooked the first announcement of this scheme in THE CHICAGO BANKER, a few words of explanation are here given. Under the proposed plan the Southwest National Bank of Kansas City will become a clearing house for the railroad accounts of local shippers. The railroads will turn over their bills to the bank where they will be payable. Instead of each railroad being compelled to maintain an individual staff of collectors, the bank will handle all collections. Every day each shipper will receive a statement from the bank for the amount due each railroad, together with the total for the day's business. The shipper then will pay the aggregate sum to the bank, which will apportion it among the railroads. It was proposed to start the new system about April 20th, but it has been found advisable to start operations May 1st, as some details remain to be worked out. If this experiment proves successful in Kansas City it is more than likely that it will become popular in all large shipping cities and that the banks will have a new feature added to their functions.

J. N. Dolley in Oklahoma

J. N. Dolley, Kansas bank commissioner, has been spending more than a week in Oklahoma going over the affairs of the Aetna Building and Loan association with J. D. Lankford, Oklahoma bank commissioner, and the members of the Oklahoma banking board. While the Aetna association is a Topeka, Kan., concern, about half of its business is done in Oklahoma and the banking departments of both states are deeply interested in it. This institution has been rated as one of the strongest of its kind west of the Mississippi river and is said to have more than \$1,750,000 assets in Oklahoma at the present time. Upon returning to Topeka Mr. Dolley said: "We went over the affairs of the company and everything was found to be satisfactory. I had never gone over the situation with the Oklahoma board. It is satisfied with the association's affairs and so am I."

Omaha Bank Building Threatened by Fire

Fire which destroyed several business houses in Omaha the night of April 12th,

threatened the United States National Bank for many hours but both building and contents were saved. At one time during the fire it appeared that the Omaha National Bank would be destroyed but it too was saved by the good work of the firemen. The fire started in the Ames building, Sixteenth and Farnum streets, and spread rapidly to adjacent buildings. It was an odd circumstance that the United States National Bank had bought adjoining property which was to be torn down as soon as possession could be secured in order to make room for the new twelve story bank building to be erected by that institution. Under the terms of the sale possession was not to be given until a year from March 1st, last, although the property was insured in favor of the bank. Now the bank will gain immediate possession with \$40,000 insurance and the plans will be pushed for the new building. Victor B. Caldwell, vice-president of the United States National Bank, said that the directors were a unit in favor of sending up the new bank building as quickly as men and money could accomplish it. G. W. Wattles, another vice-president of the United States National Bank, had just returned from Los Angeles and reached Omaha just in time to see his bank threatened by the flames.

Charles W. Foster Appointed National Bank Examiner

Bank Commissioner Gill of Texas is being embarrassed by the drain upon his forces from the comptroller of the currency. Not long ago Comptroller Murray at Washington appointed John K. Woods, one of Mr. Gill's best men, as national bank examiner, and now he has taken Charles W. Foster of San Antonio away from the state banking department to be national bank examiner. This is a distinct compliment to Commissioner Gill and his department. Mr. Foster is a native Texan, and has been clerk in the San Antonio National, cashier of the Seguin State, and for five years was receiving and paying teller of the American National of Austin. Although Commissioner Gill has expressed keen regret at losing Mr. Foster, it was largely through Gill's recommendation that Foster was advanced. He is said to be one of the finest accountants and examiners that Texas has ever produced, and will be assigned to the western district of Texas.

Kansas Casualty and Surety Company

Capitalists of Wichita and Hutchinson, Kan., have organized the Kansas Casualty and Surety Company, which will have headquarters at Wichita. A charter specifying capital stock of \$500,000 has been approved by the

state banking board. It is proposed to furnish fidelity bonds, surety bonds, contract bonds, administrators' bonds and judicial bonds. It will also write personal accident insurance, health insurance, plate glass insurance, common carriers' liability insurance and public liability insurance. The Kansas laws require that every state, county, city, town and township officer give surety bond for the faithful conduct of his office. Bank officials, administrators, public contractors and others are required to give surety bonds. There is no company furnishing such bonds in the state of Kansas, and for this reason the Kansas Casualty and Surety Company hopes to do a large business. The officers of the company are: J. C. O. Morse, of Hutchinson, president; J. W. O'Neill of Wichita, secretary and treasurer.

Break Up Band of Bank Robbers

It is believed by the Oklahoma authorities that they have succeeded in breaking up one of the worst gangs of bank robbers that have infested that state since territorial days. Dave Koontz, convicted in Roger Mills county of first degree robbery, has been sentenced for a term of fifty years in the state penitentiary. This is by far the most severe sentence ever imposed upon anyone in Oklahoma for bank robbery. Koontz and four companions were charged with robbing the Cotton Exchange Bank of Crawford, Okla., November 19, 1911, securing about \$800. In the trial of Koontz the principal witness was R. S. Graham, already convicted of bank robbery, who was brought into court to testify against his former pal. Graham recited a story of crime that was startling, involving Koontz, and the other members of the band in a series of bank robberies that extended over southern Oklahoma and northern Texas. Another recent conviction was that of Sam Owen, the son of Chauncey Owen, one of the oldest and wealthiest residents of Tulsa, Okla., who pleaded guilty of attempting to rob the Bank of Bixby. He was sentenced to five years imprisonment. He pleaded guilty only after one of his companions, Otis Lee, turned state's evidence upon promise of immunity.

R. L. McCabe of Columbus

For several weeks Robert L. McCabe, of Columbus, Ohio, has been delivering addresses in Kansas, under the auspices of the Citizens League of Kansas. He has been urging the adoption of a sound money system, and a central reserve agency as the real remedy for our banking and currency troubles. During the last ten days, Mr. McCabe has visited Larned, Garden City, Independence, Winfield, Wel-

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lington, Emporia and Hutchinson, Kan. He has met with representative business men, wage earners, and the public generally, at these various cities in an effort to educate the masses along the lines of his work. His tour of Kansas is being directed personally by Charles M. Harger of Abilene, president, and Arthur Hurd, secretary of the state league.

To Encourage Agricultural Education in Oklahoma

Nearly one hundred banks in Oklahoma representing practically every county in the state have joined in the movement to encourage agricultural education among the boys and girls of the Oklahoma farms. Each bank has offered prizes of \$10 or more in the boys' and girls' agricultural contests, which the Oklahoma State Fair and Exposition is conducting this year under the direction of the farm demonstration work, United States department of agriculture, and the prizes will be awarded at the sixth annual state fair, September 24th to October 5th. More than \$2,450 in cash prizes will be distributed among the boys and girls of Oklahoma between nine and eighteen years of age. Each bank offering a prize will distribute literature to all who inquire, and will foster interest in the contest in every way. The prizes are for corn, kaffir corn, and cotton. Among the banks that have joined in this enterprise are the following:

Beckham County National Bank, Sayre; Citizens State Bank, Okeene; First State Bank, Durant; Bank of Eakly, Eakly; First National Bank, El Reno; First National Bank, Ardmore; State Savings Bank, Norman; First National, Coalgate; Vinita National Bank, Vinita; First National Bank, Weatherford; First State Bank, Waukomis; First National Bank, Chickasha; First National Bank, Mangum; Speermore State Bank, Speermore; First National Bank, Stigler; First National Bank, Waurika; American State Bank, Tishomingo; Farmers National Bank, Ponca City; First National Bank, Kingfisher; Citizens Bank, Wilburton; Chickasaw National Bank, Purcell; First National Bank, Valliant; First National Bank, Checotah; First National Bank, Davis; First National Bank, Perry; First National Bank, Okemah; Farmers National Bank, Oklahoma City; First National Bank, Morris; Citizens National Bank, Pawhuska; First National Bank, Pawnee; State Bank of Commerce, Stillwater; City National Bank, McAlester; First National Bank, Ada; Security National Bank, Shawnee; Citizens National Bank, Antlers; Oklahoma State Bank, Hammon; Bank of Chelsea, Chelsea; First State Bank, Seminole; Bank of Commerce, Frederick; National Bank of Commerce, Tulsa; First State Bank, Wagoner; Ramona State Bank, Ramona; Capron State Bank, Capron; New State Bank, Woodward; The Bank of Beaver City, Beaver; First National Bank, Yukon; Lehigh National Bank, Lehigh; First National Bank, Vinita; American National Bank, Sapulpa; Texmo Cotton Exchange Bank, Texmo; First National Bank, Taloga; Garfield Exchange Bank, Enid; First National Bank, Maysville; First National Bank, Minco; The Grant County Bank, Medford; Farmers State Bank, Granite; First National Bank, Buffalo; First National Bank, Tishomingo; The Citizens State Bank, Kingfisher; State Bank of Meridian, Meridian; Union National Bank, Purcell; Bank of Garvin, Garvin; Park National Bank, Sulphur;

Producers State Bank, Nowata; American National Bank, Oklahoma City; Citizens National Bank, Okmulgee; Miami Trust and Savings Bank, Miami; First National Bank, Stillwater; American National Bank, McAlester; First National Bank, Wanette; Oklahoma State Bank, Hammon; Union Bank and Trust Company, Chelsea; First National Bank, Seminole; State National Bank, Marlow; First National Bank, Guymon; Union National Bank, Bartlesville; Cordell National Bank, Cordell; State Bank of Dacoma, Dacoma; First National Bank, Woodward; Bank of Stilwell, Stilwell; First National Bank, Sapulpa; German National Bank, Weatherford; Cotton Exchange Bank, Leedy; First National Bank, Blanchard; Madill State Bank, Madill; State National Bank, Oklahoma City; The First State Bank, Albion; Oklahoma State Bank, Hammon; Bank of Marlow, Marlow; Bank of Manitou, Manitou.

Condition of Nebraska State Banks

Secretary Royse of the Nebraska banking department, has just compiled a statement showing the condition of the state banks of Nebraska and incidentally giving some interesting statistics relative to Nebraska national banks. The banks of Nebraska, including all national and state banks, are in the best condition they have ever been. The state banks report a reserve of 30 per cent, being double the amount required by law, while the national banks show a reserve of 36 per cent, and the combined banks of the state, including both state and national, have an average reserve of 33 per cent. The state banks have increased three in number during the past year, and the national banks have increased ten in number in the same period. The deposits in the state banks have increased \$6,429,260, and at this time the total deposits of state banks is \$80,354,728, the high water mark in the history of the state. The deposits in national banks have increased \$19,919,801 during the year.

Bank Robbery at Ben Franklin, Texas

The bank at Ben Franklin, Texas, was entered by robbers recently, and after blasting away at the vault and safes for two hours, the thieves retired with only \$295 in coin. Several nights after this attempt, a gang of men had the same poor luck with the Bank of Red Fork, Okla., six miles south of Tulsa. Eight charges of nitro-glycerine were used, and the interior of the bank was wrecked, but no money was lost. The towns people were awakened, but the robbers were not disturbed.

Central West Notes

The First National Bank of Hutchinson, Kan., is preparing to move into its handsome new office building, May 1st. This building is a six-story structure of steel at Sherman and Main streets. There will be a formal dedication, and the public will be invited to inspect the handsome quarters of the bank.

Two large steel units have been added to the safety deposit department of the Kansas National at Wichita, Kan., which doubles its capacity for this class of business.

William Crowell, aged seventy-nine years, a retired banker, died in Oklahoma City last week. He was for many years president and principal stockholder of the Miami National at Paola, Kan., and was well known in Kansas and Oklahoma banking circles.

Frank T. Ransom, president of the Union Stock Yards National of Wichita, Kan., addressed the Wichita Credit Men's Association recently on the proposed scheme of currency reform. At the annual election of the association, which followed the address the following officers were elected: Charles H. Knorr, president; W. A. Story, vice-president; Frank T. Ransom, treasurer and Z. S. Gwaltney, secretary.

Dr. McVey addressed the Omaha Credit Men's Association several evenings ago on the National Reserve Association.

The Penny Savings Bank, a negro institution of Dallas, Texas suspended payments last week. It was said that the withdrawal of several large deposits belonging to negro secret societies caused the run.

It is rumored that a new trust company is being formed at Muskogee, Okla., which will erect a ten story building in which it will have quarters. A group of local capitalists is behind the plan.

The directors of the Exchange National of Waco, Texas, have elected P. A. Gorman president to succeed D. S. Eddings, deceased. John F. Wright, cashier of the Exchange National, was made vice-president, and W. W. Woodson, cashier of the First National at Mart, was elected cashier of the Exchange National to succeed Mr. Wright in that position.

The Nebraska state banking board has authorized two new banks to do business. One is the Security State of Wakefield, with a capital stock of \$25,000. The other is the Wayne County State Bank of Sholes, Neb., with a capital stock of \$25,000.

There were 196 postal savings depositories in Nebraska on January 1st, last, with deposits amounting to \$125,000.

A number of Omaha capitalists have organized the Bankers Mortgage Loan Company with a capital of \$2,000,000, and headquarters will be in the Bee building. This company will make a specialty of loaning money on real estate and will supply money to public utility concerns.

W. L. Lewis, assistant cashier of the Tulsa State Bank, Tulsa, Okla., and brother of the president of that institution, was seriously injured the other day when his buggy and the horse he was driving were struck by an automobile going at high speed.

Charters have been issued for the Guaranty State Bank of Neches, Anderson county, Tex.; the First State Bank of Ireland, Coryell county, Tex., capital, \$20,000; and the Watonga State Bank of Watonga, Okla., capital, \$15,000.

The Texas banking department has approved the following reserve agents: For the First Guaranty State of Myra, the First Guaranty of Collinsville; for the First State of Trent, the Commonwealth National of Dallas; for the First State of Rio Hondo, the First National of Houston and National Bank of Commerce, New York; for the Allen State of Allen, the Mechanics Trust and Savings Bank of Dallas; for the Wichita State of Wichita Falls, the Hanover National, New York; for the Lockhart State of Lockhart, the Union National of Houston.

THE surest indication of a bank's stability is the steady growth of its surplus. The following table shows the increase in the Surplus and Undivided Profits, during the past ten years, of

The Security National Bank Of Minneapolis

1902 - \$160,000	1907 - \$ 799,000
1903 - 242,000	1908 - 1,052,000
1904 - 371,000	1909 - 1,158,000
1905 - 522,000	1910 - 1,438,000
1906 - 698,000	1911 - 1,773,000
1912 - \$2,079,270	

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

W. G. Edens of Chicago made his quarterly visit to Minneapolis last week, stopping off for Sunday at Winona on his way home. Mr. Edens is considered as necessary in Minneapolis four times a year as the quarterly bank dividend and his presence is said to be as welcome. He made a few passes over the books of the supreme master of the exchequer, who was away down in Wilmington, N. C., at the time, and over those of the supreme keeper of records and seal, a dyed-in-the-wool democrat, who lives in Minneapolis, and has called Mr. Edens "Grant" for many years. It was the quarterly audit and Mr. Edens "heard" nothing out of the way.

Disagree as to Sale of Bonds

Citizens of Minnesota are squabbling over the \$2,000,000 Virginia bonds which one faction wants the state to sell and another to keep, as if they were their own personal property. Solemn bodies move that the bonds be sold, and as solemn individuals harangue against their sale. The state treasurer says go ahead and sell them. They bring only 3 per cent and the state can loan the money internally at 4 per cent for state development, while the borrowers now pay 5 to 5½ per cent. Another protagonist says that the rates for interior loans may fall to 3 per cent and to hold on.

Meeting of Group 9 on May 28th

The executive committee of the ninth district group of the Minnesota association at Crookston last week made the program for the annual meeting May 28th at Battle Lake. The committee is President C. L. Conger, McIntosh; Vice-President T. L. Hofdal, Beltrami; Secretary James Humphries, Fosston; Chairman W. L. Winslow, Battle Lake, J. W. Wheeler, president of the Capital Trust Company, St. Paul, will speak.

New Creamery Association

Bankers are closely connected with a new

creamery association at Cloquet, Minn. C. L. Dixon, cashier of the First National, is secretary-treasurer; C. P. Osburn, cashier of the Northwestern State, is director.

E. J. Curtin a Minneapolis Visitor

E. J. Curtin, Decorah, president of the Iowa State Bankers Association, in Minneapolis, returning from overlooking his banking interests at Miles City, Mont., and Beach, N. D., announces the Iowa convention for June 5th-6th at Cedar Rapids. "We have the strongest bankers association in the United States," Mr. Curtin said, "with a membership of over 1,600 out of 1,750 banks in Iowa. Minnesota has beaten us a little in activities relating to farm life improvement and education, but we are concerning ourselves with these matters, as an association, and the agricultural thought will predominate at our coming annual meeting."

Predicts Large Corn and Potato Crops

Corn and potatoes have taken possession of a large part of southern North Dakota this year and great crop results may be expected, according to F. A. Irish, cashier of the First National Bank of Fargo, in Minneapolis.

"Wheat is probably going to cover a smaller acreage than last year in that part of North Dakota," Mr. Irish said. "North Dakota is diversifying as never before, and the potato is the big leader, with corn another one. Barley is also popular. The old one-crop days in North Dakota have passed."

Circular Covering Work of Bankers Associations in "Back to the Farm" Movement

Joseph Chapman, Jr., has sent out a letter covering the work of the bankers associations for agricultural development and education in the Northwest, to business organizations. The letter reviews work by the Minnesota, Illinois, Iowa, and North and South Dakota, Kansas, Washington, and Wisconsin associations, and invites the bankers to the conference on the

subject the second week in August in the twin cities.

As to the work being done in Minnesota by the bankers association, the review points out that bulletins are being sent out regularly regarding the condition of seed corn and advising farmers to test all seed before sowing. A conference has been arranged between various commercial organizations of the state to consider agricultural conditions generally, and the association is also said to be considering legislation concerning rural development in the state. Associations in other states of the Northwest are said to be working along similar lines.

Conference to Make Plans for Soil Survey

A conference of representatives of the Minnesota Federation of Commercial Clubs, the St. Paul Association of Commerce, the Minneapolis Civic and Commerce Association, and the agricultural school will take place with the agricultural committee of the bankers association, April 18th, to make plans for a soil survey. The survey will be made for the benefit of the immigration commissioners, under the auspices of the agricultural society.

Meeting of Third District Bankers at Fargo

Third district bankers in session at Fargo last week elected F. A. Irish, cashier of the First National, president of the association; George Strommer of Mayville, vice-president; and H. P. Beckwith of Fargo was made secretary-treasurer as before. Three free scholarships in Cass, Traill, and Steele counties were voted, \$50 courses in the agricultural college. J. H. Worst, president of the college proposed the idea in an address on "College Course in Farm Husbandry, Its Worth and Advantages." While they did not mean anything to the college, he said the courses would stimulate interest among the youth. M. F. Boecher talked on "Advertising, Good and Bad"; H. W. Parker, cashier of the Merchants National, St. Paul, talked on "The Functions of a Bank are to

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Build the Commercial Interests of the Country so as to Conserve Them." Thomas Cooper, secretary of the Better Farming Association, said that it is hoped ultimately to make North Dakota farm land worth \$100 an acre. "If the farmers fail at raising a crop, you bankers will have a hard time," he said. "You must all help the work." Secretary W. C. McFadden of the state association said the main thing needed for the success of the association is co-operation among its members, which he said he was sorry had not been given. He said he was ashamed also to name the banks which had not responded in the aid pledged to the better farming association. B. V. Moore made an address on the American Institute of Banking, referring to chapters just formed at Fargo and Moorhead, Minn., with club rooms where study will begin in September. He urged the bankers to send their clerks to the institute classes. LaRue Buxton of Fargo talked on collections, and J. A. Latta of the Northwestern National at Minneapolis on currency reform.

New State Bank at Dundas

The First State Bank of Dundas, Minn., has been formed with \$10,000 capital. The incorporators are J. P. Hummel, H. F. C. Albers, C. F. Krmoll, J. M. Gray, J. F. Cheney, W. W. Hasson, Henry Siemer, W. G. Duncan, A. J. Thielbar, W. E. Roberts, Allen Conrad, Walter Gray, J. M. Palon, W. F. Chester of Dundas; Henry Soth, D. D. Devine, E. E. Paulson, Albert Lea; John Luxem, Minneapolis.

South Dakota Banks

For the first time an exact statement of South Dakota banks has been issued by the state examiner, covering state, national and private banks, as well as trust companies. General conditions indicate improvement. Reduction of deposits is said to be due settlements on real estate sales and many borrowed money to avoid forced sales in liquidation of loans. The two conditions made a decrease in the showings.

The state banks show a decrease in loans and discounts of \$691,796, and likewise a decrease of \$1,141,538 in expenses. The surplus shows an increase of \$128,580, while the undivided profits decreased \$1,745,640. The check deposits and savings deposits for December 5th were \$19,783,404, and for February 20th they were \$19,354,705, making a decrease of \$428,699. There is a decrease of \$65,836 due to other banks.

The national banks show deposits of \$10,270,982, and savings deposits of \$1,118,351 on February 20th, and \$13,345,013 in time certificates, a decrease of nearly \$200,000. The amount due other banks shows a decrease of \$359,918.

The combined statements of the four financial institutions of the state show check deposits aggregating \$20,085,321, a decrease of \$828,151 at the February 20th call. The savings deposits show \$3,086,820, an increase of \$32,320.48. The undivided profits indicate a decrease of \$2,096,107.24.

Satisfactory money conditions, normal business activity and favorable conditions for spring seedings are the features of importance noted in the monthly circular of the Northwestern National Bank. A list of Minnesota, Montana, North Dakota and South Dakota counties, with reports, show abundant moisture, ground frozen deep, top soil in good form to work, farmers able to seed to advantage. The circular comments on the recent figures by the railroads showing the number of cars of immigrant movables received in the state, and of the beneficial effect as a whole of an influx of high-grade settlers.

Banking Notes of Interest

C. E. Stubbins and others are interested in organization of a \$10,000 bank at Stone Lake, a new town on the new Soo connection between Owen and Duluth.

The Security State of Lake City has been founded to open May 6th. The first board will be D. L. Mills, J. A. Wright and Peter Beek, Lake City; F. C. Hartshorn and C. J. Harts-horn, Clarion, Iowa, capital \$25,000.

The Merchants of Winona is to have a one-story \$60,000 bank. Figures were taken April 18th by the Minneapolis architects.

"Mud"

"Mud" is the title of an address delivered by that good roads insurgent, George F. Hall, editor of the "Peoria Journal." It contains some good matter for the consideration of good roads enthusiasts.

WOMAN BANKERS WILL HOLD OWN CONVENTION

Austin, Texas.—Miss Lena Riddle, the managing editor of the Texas Bankers' Record, the official monthly publication of the Texas Bankers Association, announces that the women bankers of Texas are preparing to hold a convention of their own during the meeting of the Bankers Association at San Antonio

on May 7th to 9th. The sessions will be held in the parlor of the St. Anthony Hotel.

There are twenty-seven women engaged in the banking business in this state. They hold various positions, from assistant cashier to president. A program for this rather unusual event is now being prepared.

TRUST COMPANY REPORTS

Albany, New York.—Superintendent Van Tuyl of the state banking department has issued a statement showing the condition of trust companies of the state, as reported by them as of March 21st.

Total resources of the eighty-one trust companies were \$1,767,536,182, as compared with \$1,656,335,661 reported by eighty-four companies on December 21, 1911. Amount due depositors was \$1,459,656,934 while on December 21st it was \$1,342,270,029. Market value of stocks and bonds, and including all undivided profits, was \$182,872,169 and on December 21st, \$188,676,616.

AN EIGHTEENTH CENTURY ROMANCE

Robert Barr's new story, "Lady Eleanor: Law Breaker," gives a glimpse of the true eighteenth century romance. Sheridan, the brilliant dramatist, is a conspicuous figure in the story, which concerns the heroine's attempt to sequester a will that makes her a great heiress, in order that the property devised may fall to the lord she loves. With unerring instinct the writer has chosen as the scene of his operations a region illuminated by the personality of a character who is in himself a source of perennial interest. While the character of the great playwright is skillfully subordinated, yet the pleasant intimacy between him and the characters of the narrative adds immeasurably to the fascination of a story which is intrinsically one of the most delightful and refreshing love tales of the day. "Lady Eleanor" is more than a mere story, it is a word-picture of the gay, fascinating period in the world's history, which will delight the reader. Rand, McNally & Co., publishers, Chicago, \$1.00 net.

DEATH OF WESTERN BANKER

Tacoma, Wash.—Levi J. Pentecost, president of the Pacific National Bank, and pioneer resident of Tacoma, age sixty-seven years, passed away April 3d, following an illness of several months. Mr. Pentecost was born in Union county, Indiana, January 20, 1845. He came to Tacoma in 1888, when he organized the Citizens National Bank and became its cashier. In 1895, on the consolidation of the Citizens and Pacific National banks under the name of the latter, he was made cashier. Later, when the Lumbermens National Bank and the Pacific National Bank consolidated, again under the name of the latter, he was made vice-president and manager. He was elected president March, 1911, succeeding the late R. L. McCormick of the Weyerhaeuser Timber Company.

Notice of Bond Sale

Notice is hereby given that sealed bids will be received by the Board of Supervisors of Coahoma County, Mississippi, until twelve o'clock noon, at the next regular meeting of said Board, to be held in Friar's Point, Miss., on Monday, May 6, 1912, for Fifty Thousand Dollars of Road and Bridge Bonds of said County; said bonds being in the denomination of five hundred dollars each, all being dated June 1st, 1912, and due thirty years after date, with interest at five per cent per annum, payable annually. Each bid must be accompanied by a certificate check for \$2500. The right to reject any and all bids is reserved.

This April 1, 1912

S. F. Carr, Clerk

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Pacific Northwest Banking News

Spokane, April 16.—When Judge Grant at Vancouver, B. C., decided that B. F. O'Neil, former president of the State Bank of Commerce, of Wallace, Idaho, should be extradited to the United States for alleged violation of the banking laws of Idaho and embezzling the funds of the institution, there was started a legal controversy which gives every promise of being long drawn out. Following the decision on April 9th, the ex-banker was locked in a cell at the city jail. O'Neil appeared to be confident he would not be returned to Idaho up to the moment that Judge Grant said "there is enough evidence to amount to probable cause to believe him guilty."

Earlier in the day the court intimated that the case was weak, but when O'Neil made the admission that his overdrafts were high and possibly illegal, Judge Grant adopted a different attitude. From that time on O'Neil threw himself on the mercy of the court, and his counsel became more confident of victory.

When the court gave its decision O'Neil's self-possession completely deserted him, and his appearance indicated the effect of the blow. He sought to comfort his wife and son, who were in the court room, and then with head bowed he walked beside the officer to police headquarters, where he was booked for safe keeping.

At the jail O'Neil broke down and gave vent to his feelings in moans. He would make no statements beyond reiterating that he is innocent of wrong doing.

Counsel for O'Neil said afterward that he will apply for a writ of habeas corpus, thus taking the case directly to the supreme court. Attorney Taylor asserts that O'Neil's papers and records were held up in Idaho, and that his demand to have them present to aid in the defense was refused.

As the supreme court in reviewing the evidence will also pass upon many points at law, including the attack upon the Dominion banking act, and the extradition treaty, this may prolong the hearing several weeks.

J. W. Hughes Retires from Bank

State Senator Richard A. Hutchinson of Spokane has acquired the interest of J. W. Hughes, vice-president, in the Farmers and Mechanics Bank, and has become a member of its directorate. Recently Mr. Hughes also sold his interest in the Bank of Fairfield, Wash., to A. F. McClaine, president of the Traders National of Spokane, and associates, and Henry Treed. There were sixty-four shares of this stock, and the purchasers paid \$250 a share for it. The book value is about \$120. The bank is capitalized at \$12,000. Mr. Hughes' interest in the Farmers and Mechanics Bank at Rockford, Wash., was bought by William Huntley, vice-president of the Exchange National, at \$150 a share. The book value is \$110. This bank is capitalized at \$17,000. Ralph Darknell purchased Mr. Hughes' stock in the Waverly Exchange Bank. Mr. Hughes announces he will retire

from active business, giving his time to real estate holdings.

High Reserves in Spokane Banks

Banks of Spokane have about \$35,000,000 on deposit at this time. The reserves are high, the national banks holding from 40 to 45 per cent, and several of the state banks have equally as large reserves. This is attributed to the fact that the railroads that are planning extensive improvements here this year have placed a large amount in the banks ready for distribution, when the work begins.

To Ascertain Cost of Reclaiming Land

Engineers are collecting data to ascertain the cost of reclaiming more than 30,000 acres of land in the Brewster district of Okanogan county, Wash., northwest of Spokane, where a bond issue of \$1,250,000 for the district was carried by a vote of one hundred and seven for and six against at a special election on April 2d. These directors, who will have charge of the work, were re-elected: Roy Dorothy, W. M. Allen and T. M. Elliott, all of Brewster. In this way the growers will control the affairs of the irrigated district,

own the water, and hold their land intact. The lands, which extend north from the town of Brewster several miles, and reaching back from the Columbia and Okanogan rivers toward the foothills, present extremely favorable conditions for development under irrigation. With other areas lying contiguous to the Okanogan, Columbia and Methow rivers, they combine to make a total of 35,000 acres.

Wallace Acquitted of Charge

C. A. Wallace, owner of private banks at Republic and Kettle Falls, Wash., was arrested April 6th, charged with receiving deposits at Kettle Falls, after the bank was insolvent, is not guilty of the charge. George S. Norton, cashier, was arrested on April 9th, charged with receiving a check for deposit knowing the bank was insolvent. The bank at Kettle Falls is in charge of Charles Adams, receiver, and the Colville Loan and Trust Company.

Codd Brothers Investment Company

J. W. Codd, Ambrose Codd and J. E. Codd, sons of the late William Codd, a pioneer lumberman, have formed the Codd Brothers Investment Company, to engage in the loan, mortgage and brokerage business in Spokane. The Codd estate has been appraised at \$366,000 by the state board of tax commissioners of Washington.

Banking Notes

M. A. Reese, formerly assistant manager of the Seattle branch, has been transferred to Spokane by the Title Guaranty and Surety Company of Scranton, Pa., which is represented locally by the Northwest Loan and Trust Company. Mr. Reese will be special agent, working from Spokane as a center.

Kendrick State Bank at Kendrick, Idaho, which has been in the hands of a receiver since January 8th, resumed business on April 9th, under a new management. The depositors consented to a loss of 25 cents on the dollar. The officers are: President, M. V. Thomas; vice-president, Claus Eichnor; directors, N. Brooke, James Gallaway, J. Langdon, S. P. Callison, and R. H. Porter.

Traveling salesmen representing different firms in the Spokane Merchants Association were guests of the credit men at a banquet in the Hall of the Doges, April 6th. W. D. Vincent, cashier of the Old National Bank, presided as toastmaster.

AMERICAN BANKERS ASSOCIATION

The increase of membership in the American Bankers Association during the month of March was 391; and of this increase there were received applications to the number of 227 since March 18th.

This brings the total membership of the American Bankers Association to date up to 12,448, which is a net gain of 826 since the same date a year ago.



The Old National Bank OF SPOKANE

This bank is thoroughly organized and equipped for the proper handling of all items drawn on Pacific Northwest points

OFFICERS—

D. W. TWOHY, President
T. J. HUMBERT, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, J. A. YEOMANS,
Assistant Cashier Assistant Cashier
W. J. SMITHSON, Assistant Cashier

J. S. & W. S. KUHN

INCORPORATED

INVESTMENT BANKERS

FIRST NATIONAL BANK BUILDING

PITTSBURG

CHICAGO

PHILADELPHIA

Guaranteed
Irrigation Bonds.
Guaranteed Water Works Bonds.
Public Service Bonds.
Municipal
Bonds.

There never has
been a day's delay in the
payment of either the principal
or interest on any bond
we have sold.

San Francisco

Announcement is made by the Anglo and London Paris National Bank of San Francisco of the organization of a bond department under the supervision of the bank officials and management of Challen R. Parker, assistant cashier, with whom will be associated J. W. Lilienthal, Jr., formerly with Ladenburg, Thalmann & Co., of New York. The new department will deal in California, municipal, railroad and corporation bonds, as well as eastern securities, and offers its service in marketing both listed and unlisted bonds.

THE FIRST BANKERS AND THEIR METHODS

(Continued from page 19)

reckoned at about \$260,000,000, but the heirs would have been satisfied with the original amount."

Authorities on banking state that for the earliest example of a bank for the receipt of deposits, as well as exchange banks, one must look to Venice. Private banking in Venice was at first an adjunct of the money changer's business. It is said that as early as 1270 it was deemed necessary to require them to give security to the government as a condition for carrying on their business although it is not clearly shown that they were receiving deposits at that time. In 1318, however, the receipt of deposits was recognized as an existing practice and a provision was made for the better security of the depositors.

The same authorities state that the Bank of Venice was the first public bank in Europe. The Bank of Venice appears to have been called into existence by the exigencies of trade, unlike other banks which were organized by governmental action. Of these the Bank of Sweden, the Riksbank, was established in 1658. It was founded by a Swede whose name was Palmstruck and who is credited with originating, or better, adopting, the bank note. The first bank note was issued by the Riksbank in 1658, and the French Government in an investigation on the subject recognized the priority of Sweden in this matter and declared the bank note to be an admirable Swedish invention, designed to facilitate commerce.

English banking is traced back to the dealings in money by the London goldsmiths. The Bank of England was founded in 1694 and came into existence, as did many of the continental banks, through a loan to the government. The loan, which was £1,200,000 was subscribed in a little more than ten days. In a pamphlet which Michael Godfrey, deputy governor of the bank, wrote he deprecated a possibility that some foresaw "lest it should hereafter join with the prince (William III) to make him absolute and so render parliament useless."

The first working force of the Bank of England consisted of forty-four assistants. Established in the beginning to advance a government loan, the management of the British national debt has been confided to the Bank

of England from the date of its foundation. The interest on the stock in which the debt is inscribed has been defrayed by the bank. The position of being banker to the government and the monopoly granted to it of being the only joint stock bank allowed to exist in England and Wales until 1826, and other privileges, gave it a pre-eminence which it still maintains.

Bank notes in England originated in goldsmiths' notes, for they received deposits of money and gave receipts for sums left them until about 1781, when books of checks were given out in place of such notes.

The Amsterdamsche Wisselbank, or exchange bank, which later became known as the Bank of Amsterdam, was established in the city of Amsterdam in 1609. The ordinance which established this bank required that all bills of 600 guilden or more should be paid through this bank. These transfers of deposits and credits came to be known as "bank money," and the charge for making such transfers was the sole revenue of the bank. When the bank was opened it was arranged that it should have no capital of its own, it being understood that it had actually in its vaults the whole amount of specie against which the "bank money" was outstanding. Loans, historians explain, were made despite this rule to the Dutch East India Company.

Other banks of a like nature were established in Middelburg, in Hamburg and in Rotterdam. The Bank of Hamburg carried on its business longest and survived until 1873, when an act of the German Parliament closed it. This act decreed that Germany should possess a gold standard and thus removed those conditions of local exchange, silver coin, whose circulation had provided an ample field for operations of the bank.

Speaking of exchange banks a writer says that in the city of Hamburg in 1873 the most vigorous offshoot of the once powerful Hansa, the latest representative of the free commercial cities of mediaeval Europe, there still remains a representative of those older banks which were once of the highest importance in commercial affairs. The Bank of Hamburg is styled "the last survivor of those banks whose business lay in the assistance of commerce not by loans but by local manufacture, so to speak, of an international coinage. By supplying a currency of universal acceptance the Bank of Hamburg greatly contributed to the prosperity of that city."

\$100,000 BANK FOR WISCONSIN

The comptroller of the currency has issued a charter to the Citizens National Bank of Merrill, Wis., capital \$100,000, to succeed the National Bank of Merrill.

Charters have been issued to the First National of Spearville, Kan., capital \$30,000 (conversion of the Spearville State Bank), and to the First National Bank of Soldier, Idaho, capital \$25,000 (conversion of the Camas Prairie State Bank, Soldier).

Indiana

Indianapolis.—It is expected that the newly organized Fletcher Trust Company, formed last week through a merger of the Marion Trust Company and the German-American Trust Company, will close a deal within a short time for either the purchase or leasing of a business site in the downtown district suitable for the erection of a home office building for the new company. Evans Woollen, who is to be president of the new trust company, says that no definite site has yet been selected.

Martinsville.—The Citizens National Bank, of this city, has been reorganized and the capital stock has been increased from \$50,000 to \$100,000. The stockholders of the bank will also organize a trust company. The new officers of the bank are C. A. Hubbard, president; O. R. Smith, vice-president; R. E. Shufflebarger, cashier.

The former president, J. T. Cunningham, and the former cashier, W. P. Lankford, will retain their stock in the bank, and will be with the new management for the present. The new directors are W. P. Lankford, C. S. Huff, F. T. Singleton, C. A. Hubbard, O. R. Smith, Max Shireman, S. C. Kivett and J. R. Gum.

The stockholders of the First National Bank have also organized a trust company, with the following officers: President, J. A. Landers, county treasurer; vice-president, W. H. Payne, county clerk; secretary, C. O. Abbott; assistant secretary, J. E. Overton.

Lafayette.—Thomas G. Rainey, age eighty-three, one of the oldest bankers in Indiana, died Tuesday in this city, after a long illness. He had the remarkable record of having been employed in local banks for sixty-one years without interruption. Mr. Rainey came here in 1870 from Lancaster, O., and took employment as clerk in the old Commercial Bank, which was founded by the Hanna and Fowler families. From there he went to the Reynolds Bank, remained there a number of years, and then became a partner of Thomas Coleman in Coleman's private bank. He remained there until 1880, when he went to the Lafayette Savings Bank as teller, remaining there until he retired in January, 1911.

Mr. Rainey was said to be the most accurate teller in the Middle West.

The board of directors of the Continental National Bank, Indianapolis, has elected Obie J. Smith, a member of the board to succeed the late George J. Nichols. Mr. Smith is a member of the real estate and insurance firm of Schmid & Smith.

The comptroller of the currency has named the Fletcher American National Bank, Indianapolis, as the reserve agent for the Indiana Harbor National Bank of East Chicago, Ind.

McIntosh, Minn.—A. I. Solberg, cashier of the Citizens State Bank, left the bank April 1st and retired to his farm. He was succeeded by John Johnson, formerly cashier of the First National at Cass Lake.

JOHN McHUGH - President
 JOHN J. LARGE - V.-Pres.
 W. L. MONTGOMERY, V.-Pres.
 HENRY G. WEARE - V.-Pres.
 F. A. McCORNACK - V.-Pres.
 H. A. GOOCH - Cashier
 O. D. PETTIT - Asst. Cashier
 FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
 BUSINESS AND OFFER
 YOU EXCEPTIONAL
 FACILITIES. CORRE-
 SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa Our Direct Field
 Excellent Collection Facilities

ARTHUR REYNOLDS, President
 J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
 C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
 W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
 C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
 Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
 Savings Bank that Makes a Specialty of
 Collections and Bank Accounts

Largest Bank in Clinton
 County

Des Moines, April 17.—The program for the Iowa Bankers Association convention at Cedar Rapids, June 5th and 6th, is making rapid headway. Within the past ten days, Secretary P. W. Hall has received acceptances to his invitations to speakers, which make it certain that the program will be one of unusual interest to bankers. Among those who have agreed to appear are Elbert Hubbard of East Aurora, N. Y., who will talk on the subject, "Modern Business"; Detective William J. Burns, who will discuss "Bank Protection"; Hon. Adam Bede of Pine City, Minn., subject not announced; President B. F. Harris of Champaign, Ill., president of the Illinois Bankers Association, subject not announced. At this writing it looks as if Hugh Cooper, engineer for the Keokuk dam, will accept an invitation to tell of this gigantic enterprise. Secretary Hall has invitations out to several noted speakers who, he feels confident, will consent to address the Iowa association. There will be less "shop" talked than is usual at bank conventions, but every banker who attends will feel more than repaid for the time and expense.

Cashier of Story City Bank Still at Large

Developments which have followed the closing of the Citizens Bank at Story City, forced to the wall by the sudden disappearance of the cashier, M. J. Swan, have indicated that affairs were not in as good shape for the depositors as it was at first anticipated. John Swan, father of the missing cashier, and owner of the institution, a private bank, was forced to file a petition in the bankruptcy courts here. His schedule shows liabilities of \$82,291.14, and assets of \$70,682.72. The depositors list claims which total more than \$15,000. The Citizens National of Des Moines holds \$8,000 of the bank's notes as collateral and a Chicago bank, and the Marshalltown State are likewise held for \$8,000. It appears that the depositors will lose despite the efforts of the father to make good the loss caused by the speculations of his son. The father is heartbroken over the affair, and the depositors are inclined to be sympathetic with him. The manner in which the young cashier decamped appears to have been unusually cruel. Three days after his disappearance his wife gave birth to a child. Her condition was thought critical for several days following the shock, when she learned of her husband's antics. It appears also that the cashier took all of the money in the bank that was worth taking. In addition he visited several Iowa cities prior to his departure, and borrowed money on the bank's collateral. This is also gone. It is stated that most of the money had gone into unsuccessful speculation, and that only the cash, which he purloined from the vault just before his departure is all that he now has to show for his action. Efforts to find trace of him have proved futile to this time.

Bankers Life Elects Directors

Something of a flurry has existed in Des Moines and Iowa banking circles over the annual election for directors of the Bankers Life Company, formerly the Bankers Life Association of this city. Clinton L. Booth, western superintendent of agents, was a candidate for director. A short time before the election, 50,000 postal cards were sent out upon which the name of W. O. Finkbine of Des Moines had been substituted for that of Booth. It then became current rumor among bankers that Finkbine if elected would vote to depose Simon Casady of the Central State of Des Moines as treasurer and elect as treasurer a man identified with the Iowa National. This would mean the loss of a half-million dollars a month in deposits to the Central State. Finkbine was an easy winner in the voting, as Mr. Casady's friends did not learn of the rumor until too late to stop it. However, officers of the company emphatically assert that there is no intention of deposing Mr. Casady, who assisted in organizing the association, and who owns policy number two. The Bankers Life was the biggest assessment company in the world for many years, but a few months ago it went on an old line basis. Heretofore, assessments have always been payable through the various bankers of the state.

Reports of State Banks

There are indications that the state bank call asking for reports as to the condition on April 3d will make a showing as good or better than that for the condition in February. Reports that have been received at the state banking department thus far indicate that the institutions are prosperous, and that deposits are showing an increase. Following March 1st, which is "real estate day" in Iowa, much of the money that had been withdrawn to meet the requirements of the early spring transfers has been returned to the institutions.

Will Loan No Money Outside of Iowa

The fact that Waterloo banks have agreed to loan no money for speculation or investment outside of Iowa is being commented upon most favorably throughout Iowa. It is likewise a fact that the Waterloo banks will loan Waterloo factory owners all the money that is required by them. This has been a most important factor in making Waterloo the live manufacturing center that it is to-day. It is probable that the I. B. A. will take up this phase of helping Iowa in connection with its movement to get the bankers actively interested in increasing the wealth of the state by wisely directing the farming industry.

German Savings at Davenport in New Home

The German Savings at Davenport is now at home in its handsome new building. Saturday, April 13th, the institution was thrown open for an informal reception. Many patrons seized the opportunity to look at the in-

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITORY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
 35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VECHTEN, President
 GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
 KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

The comptroller has approved the application to organize the Healdsburg National Bank, Healdsburg, Cal., capital \$75,000, to succeed the Sotoyome Bank of Healdsburg.

side of the structure. The institution opened for business in its new home Monday, April 15th. The German Savings building is another of the many which are now being constructed in Iowa cities for banking purposes only. It is two stories of white terra cotta with the column effect. Within the fixtures are elaborate and modern in every way.

Iowa Trust and Savings Moves into Temporary Quarters

The Iowa Trust and Savings moved last week across the street from its old home in East Des Moines to give the contractor a chance to tear down the old structure, and begin on that site the new building which H. E. Teachout is building. It will be five stories high, and a distinct credit to the city.

Iowa Postal Savings

The first report on Iowa postal savings banks has been made public at Washington. It tells of these institutions up to January 31st. At that time there were 231 postoffice banks doing business in Iowa, and their deposits totaled \$125,000. The number of depositors was given as 2,000, and the average deposit as \$63. There had been approximately 2,500 accounts opened and 5,000 deposits made, or an average of two deposits to each depositor. The number of withdrawals was given as 1,200. Iowa was rated as twenty-third in number of accounts remaining open January 31st, and twenty-third in actual amount of money left on deposit.

Tax Ferret Before the Court

M. W. Moir, one of the holdover tax ferrets in the state, will have trouble collecting his fees. It appears that when he entered into contract with Harrison county supervisors to uncover unlisted property, he neglected to file a bond required by the old law which was killed by the last legislature. Although the law abolished the tax ferret, Moir continued to serve out his contract. Now some of those whom he is after have taken the case into court, alleging that his failure to file the bond makes his acts illegal.

Iowa Banking Notes

H. L. McGrew of New London has been named state bank examiner to succeed A. J. Whinery, who resigned. Auditor Bleakly assigned Mr. McGrew to southeastern Iowa. The new inspector is well known in banking circles and should prove an efficient member of the staff.

Robert W. Bonyng of Denver, who recently spoke on the importance of currency reform in several Iowa cities, pays a nice tribute to Iowa. He is quoted as saying that Iowa gave him an excellent reception, and that he found the executives of the state more awake to the necessity for currency reform than those of any other state he has visited.

The bankers of Davenport, Rock Island and Moline have begun plans for the annual outing of the Tri-City Bankers Social Club. A committee was appointed to make the necessary arrangements at a meeting held at the Kimball Hotel in Davenport one night last week. L. J. Yaggy is chairman, and H. Gripp of Moline, and K. T. Anderson of Rock Island are his associates. The social session at the Kimball was pleasant, and William Heuer of Davenport was toastmaster.

A new method of concealing evidence of forgery has been discovered at Burlington. William Marshall was arrested there charged with passing a bogus check. While the police were taking him to the station, Marshall quietly chewed up another bad check he had prepared, and was getting ready to swallow it, when the officers detected him.

The Citizens State of Anthon has amended

its articles, and increased the capital stock from \$25,000 to \$50,000. The Center Junction Savings has increased its capital from \$10,000 to \$20,000.

The comptroller of the currency has approved the organization of the National Bank of Newell. It will have a capital stock of \$25,000. The organizers are J. R. Neil, L. F. Parker, S. A. Beason and E. R. Norton.

Stephen Briggs, a retired banker at Lyons, and a pioneer resident of that city, died last week at the age of ninety-one. He was born in England in 1829, and had lived in Lyons since 1861.

The Iowa City State has decided to remodel its present structure and install improvements worth \$75,000. The old Goldren Theater located on the second and third floors will be eliminated, and the rooms converted into office and club rooms. The bank rooms proper will be enlarged.

John Hawk, for several years city auditor, has accepted a position with the Central State of Des Moines.

The Gilbert Savings at Nevada has made numerous changes. C. W. Siverly of the Union National of Ames and M. W. Templeton of Gilbert have been named directors to succeed Messrs. Michaelson and Thompson, who recently disposed of their stock. S. E. Lee was chosen cashier, and begins May 1st. Earl Jones, assistant cashier, goes to the Union National at Ames.

The Farmers and Merchants at Washington announces a new four-story brick building. It is expected that it will be one of the handsome structures of southeastern Iowa.

The South Omaha Savings will erect a new building.

Wallace H. Arney, member of the lower house in the Iowa legislature, has been made president of the Iowa Savings of Marshalltown, succeeding J. J. McGuire, who was the first president of the institution, and assisted in its organization in 1908. Mr. McGuire disposed of his interest to Mr. Arney and others. J. P. Cooper is advanced from cashier to vice-president, and H. S. Lawrence becomes cashier. The latter has been assistant cashier of the First National for some years. The Iowa Savings will build a fine new home, it is said.

The First National at Kanawha announces a new \$7,500 building to be started May 1st. It will be two-story brick.

J. H. McCarty has been elected president of the Stockport Savings, succeeding Peter Nelson, resigned. M. C. Mott has been chosen cashier.

L. O. Shaffer, president of the Citizens at Altoona, recently rounded out his thirty-fourth year as an Altoona business man. He is one of the substantial bankers of central Iowa, and his son, N. B. Shaffer, the cashier, is assisting him in making the institution a winner.

The Iowa State Bank and Trust Company of West Liberty is busily engaged wrecking its old building preparatory to constructing the fine new building, which it will call home before snow flies.

SAVINGS DEPARTMENT OF TEXAS STATE BANKS

The condensed monthly statement of the condition of the savings department of the sixteen state banks maintaining savings department in Texas as made by Banking Commissioner Gill last Saturday shows total resources of \$1,705,204.98 and total liabilities of the same amount. Of the liabilities \$1,695,207.48 is due depositors and \$9,997.50 undivided profits.

Sioux City

By JOHN J. BIDDISON.

State Bank Examiner Wingfield has just issued an elaborate statement of the financial status of the banks of South Dakota, including not only state banks but national banks, trust companies and private institutions. It is the first of the kind ever issued by the department. While there is shown to be a decrease in volume of business, it is attributed largely to the cutting down of running expenses which came between the December call and the February call, on which the report is based. As a rule, it is stated, the stability of banks was increased, and they are commended for having in some instances borrowed money to save forcing the liquidation of debts by customers at the cost of sacrificing securities. A reduction of deposits is chargeable, as is usual at this season, to the payments on real estate and to interest payments.

The state banks show a decrease in loans and discounts of \$691,796 and in expenses of \$1,141,538. The surplus grew \$128,580 and the undivided profits decreased \$1,745,640. Deposits decreased \$428,699. National bank deposits decreased about \$200,000.

Meeting of Group 2 at Fort Dodge

Arrangements are being made in Fort Dodge for the meeting there May 8th of Group 2 of the Iowa Bankers Association. It is expected that the meeting will draw between 150 and 200 men for a one-day session. Agriculture, with particular reference to the crop out-look in view of the poor seed available, will be a live topic. An automobile ride about town and a banquet will be amusement features of the day.

Remsen (Iowa) Bank Closed

The Bank of Remsen, Ia., has closed its doors. This bank was one of the strongest in Plymouth county, and its intended liquidation comes as a surprise to the public generally. President W. D. Creglow has issued the following statement explaining the reasons for the action taken:

"W. D. Creglow's assets consist chiefly in Minnesota lands, which at the present time cannot be readily converted into money. The demand for money by depositors is therefore not easily met, but shall be as quickly as possible. Without exemption Creglow has turned all of his property to Attorney Wm. J. Kass as trustee. The property will be turned into cash as soon as possible and every dollar of debt will be paid to the last cent. For this purpose there is more than enough property, and all rumors to the effect that Creglow has failed are untrue. Local creditors have been consulted in this matter, and all are satisfied with the method of liquidation."

Banking Notes

Theodore C. Koch, president of the First National bank of Fullerton, Neb., had sold his interest in the institution and resigned. Dr. E. L. Thomas taking his office. Mr. Koch will devote his entire attention to private business, after 20 years active management of the bank.

A charter has been issued to the First National Bank of Newell, Ia., capital \$25,000; incorporators, J. R. Neil, L. F. Parker, S. A. Beason, O. R. Norton.

The affairs of the Henderson State Bank, Wessington, S. D., are to be wound up on or about June 25th.

Among the Visiting Bankers

E. H. Reimann, president of the Iowa State Bank, Hull, Iowa, was in the city Wednesday.

C. J. O'Connor, president of the Homer

(Neb.) State Bank, was in Sioux City on business Thursday.

John B. Phelps, assistant cashier of the Kingsley Bank, Kingsley, Iowa, was in Sioux City Thursday.

A. R. Browne, cashier of the First National, Alta, Iowa, was in Sioux City Thursday and Friday.

A. C. Wilson, assistant cashier of the First National, Hull, Iowa, was in Sioux City Thursday.

John Schwabland, vice-president of the First National, Crofton, Nebraska, had business in Sioux City Thursday.

John R. Welch, president of the First State Bank, Mapleton, Iowa, and Mrs. Welch were in Sioux City Friday, and stayed for the Maude Adams show.

P. G. Riedesel, president of the P. G. Riedesel & Co., bankers, Oto, Iowa, was in Sioux City on business Friday.

Herman Fortin, cashier of the Farmers Bank, Salix, Iowa, was in Sioux City on business Friday.

P. K. Holbrook, president of the First Trust and Savings Bank, Onawa, Iowa, and Mrs. Holbrook were in the city Monday.

MORTGAGE COMPANY INVESTIGATION

George C. Van Tuyl, Jr., superintendent of banks, New York, has been making inquiries in over one hundred so-called mortgage loan, investment, real estate or security companies, located in New York City, which have not been organized under the banking law, and are not subject to the supervision of the banking department. From these inquiries it would appear that many such companies are conducting business in an unsafe and unauthorized manner.

In the case of at least fifty of these companies, they have been incorporated under the business corporation law, but are transacting business reserved for mortgage, loan and investment companies under the banking law, such business being the selling or negotiating of bonds or notes secured by deed of trust or mortgage on real property.

FIRST NATIONAL OF NEW BERLIN

Washington, D. C.—The comptroller of the currency has received a telegram from Mr. Rorebeck, who is in charge of the First National Bank of New Berlin, N. Y., which was closed by the directors several days ago, stating that a new bank is in process of organization, which will have a capital of \$50,000 and a paid in surplus of \$10,000. This bank will occupy the old banking house and purchase from the failed bank its furniture and fixtures and all of its good assets.

R. L. Curtis, of Franklinville, has been appointed receiver of the First National Bank and as soon as the assets can be sold and transferred to the new organization a dividend of the proceeds will be paid to the creditors of the failed bank. It is expected that this can be accomplished within the next thirty days.

UNIFORM BANK EXCHANGES

A special committee of the New York Clearing House Association is considering the subject of uniform return by clearing houses throughout the country of bank exchanges. At present many of the various clearing houses compile this item in different ways.

It is the contention of some bankers that as bank exchanges are considered a criterion of trade conditions, they should be reported uniformly by all clearing houses. As yet, the committee has not reached any conclusion.

CHAPTER NEWS

CHICAGO CHAPTER, A. I. B.

By OTTO J. KRAMPKOWSKY.

W. G. Edens, of the Central Trust Company, who is a member of the executive council of the American Bankers Association, will address Chicago Chapter, Tuesday evening, April 23, 1912, at 8 o'clock, in Assembly Hall, N. W. University Building, on "The Success of the Work of the American Institute of Banking," which address, no doubt, will be of great benefit to all members of the chapter that will be present.

C. R. McKay, of the First National Bank, who is chairman of the committee on the numerical system of the American Bankers Association, will deliver a short speech on the value of the numerical system as adopted by the present body.

A piano selection will be delivered by Victor E. Olson.

The examination in law of negotiable instruments will be held the same evening at 6 o'clock.

The adding machine contest will be held by the Chapter on May 14th.

SAN FRANCISCO CHAPTER ENTERTAIN IN VAUDEVILLE

The annual entertainment of the San Francisco Chapter of the American Institute at Scottish Rite Hall on Thursday evening, April 11th, was largely attended. The program was followed by dancing. The affair was in charge of the following committee: R. A. Newell, Louis Becker, M. R. Clark, J. S. Curran, Victor Klinker, F. M. Norris and George L. Woolurich. The program consisted of an athletic performance, "A Night in the Gymnasium," in which W. J. Leonard, boxing instructor for the Olympic Club; W. E. Dwyer, R. Nolan, Matt Toomey, E. F. Baraty, E. Rodgers and O. Baumbaugh took part. "After Banking Hours" was the subject of a clever little sketch done by Byron Mobbs, and Tom Cone, accompanied by Gilmore See and Fred Carlisle, as stage director, put on a farce entitled, "The Servants in the House." Those who played parts in the sketch were Alfred McKinnon, Harry McKenzie, Mrs. Franklin and Miss Josephine McDonough.

CUBA CHAPTER NEWS

By W. H. MORALES, VICE-PRESIDENT.

The Panama Canal and its effect on Cuba from an economic standpoint was the topic of Dr. Leopoldo Cancio's fifth lecture of the season before Cuba Chapter of the Institute on April 3d.

While no scientific achievement, said the speaker, has perhaps received more public attention than the Canal, since the Pacific Ocean was discovered from the summit of the Isthmus in 1513 by Vasco Nuñez de Balboa, it happens by a strange paradox that Cuba, a country in close proximity to Panama, will fail to benefit by this new boon to civilization.

Logically speaking, Cuba is going to meet a rival in the opening of the Panama Zone to the markets of the world, but fortunately, her position with respect to the United States will offset the consequent disadvantage and insure her continued growth.

A glance at the chart shows that Cuba is practically in the same isothermal belt as the countries bordering on the Canal. Our foreign trade will naturally show the financial bearing of the Canal on Cuba, so the question arises, what commodities will this country ex-

port and import as a result of its inauguration? The answer in both cases is, none, according to present indications.

Looking westward from the isthmus we find a vast sea or open gulf, due to the conformation of the North and South American continents at this point; and beyond, the map fails to disclose any islands or continents nearby. To the north and south we look in vain for large cities or commodious harbors, and find in place thereof mountain chains, dotted here and there with fertile belts of soil along the shores and valleys. Farther away we come to the dense forests of Ecuador and Peru, which will compete with the hardwoods and other products of Cuba, both of which countries, being self supporting, cannot be considered as consumers of our goods.

Hawaii to the west and New Zealand nearly 7,000 miles southwestwardly, will be the nearest Pacific islands of any consequence, while Polynesia, Australasia and Malaysia will be too far away to be a practicable market; moreover, the trade of those countries is going to be carried over the Suez route for obvious reasons.

The advantages gained from reduced freight rates to New Orleans and other shipping centres in the United States will be a stimulus to the production of the Panama Zone and a detriment to Cuba. Commerce always seeks a market and markets follow the line of consumption, and the outlet for those products will be through the warehouses of North America and not those of Cuba.

The impression that Cuba is in the direct line of travel from Europe to Panama is erroneous. Vessels of deep draught from western Europe will continue to follow the present routes as marked by the ocean currents, and after sailing down the west coast of Africa will shape their course westward to the Caribbean Sea, by way of the Windward Islands. This line of travel was followed by Admiral Cervera with his fleet in the Spanish-American War, and by Admiral Nelson in 1805 with the fleet which later vanquished the Spanish and French armadas at Trafalgar.

As speed will be an important element in shipping, vessels will not be likely to deflect from their course to visit Cuba, even as a coal-ing station.

This negative result of the Canal will simply be a repetition of history. The opening of the Suez Canal in 1869 was expected to be the signal of a mighty economic movement in Egypt and the Mediterranean countries, and in Southern Italy great warehouses and other accommodations were made to connect with the Royal Mail steamers en route to the Canal. The result was entirely disappointing, however, and in the famous work of Lord Cromer entitled, "The Modern Egypt," the British representative does not even mention the Suez Canal as a factor in the great development of that country.

The second paradox is, that, despite the opening of the Canal Zone to the world, the progress of Cuba is destined to be as remarkable in the future as it has been in the past.

In Cuba the combined forces of Nature, Man and Capital have found a remarkable theatre of action, and the markets of the United States will more than absorb the wealth of our fertile soil. We must recognize that the United States is still a young and undeveloped nation. Texas, with an area greater than Austro-Hungary, contains only 4 million inhabitants as compared with 50 millions in that empire;

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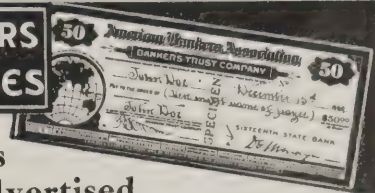
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NEW YORK CITY

California, whose territory is greater than that of Prussia, has but 2½ millions of people as against 40 millions in that kingdom. As the wealth and population of the United States increase, the demand for Cuban products will more than grow apace, thereby assuring the economic future of our Island.

The importance of Cuba to New York and other northern markets is apparent. When we consider London and the cities of Northern Europe, which depend for their tropical supplies on colonies thousands of miles across the sea, accessible at a great expense of time, labor and capital, we are filled with a sense of admiration that nature should have so blessed this hemisphere as to place Cuba, a land referred to recently as the garden of the earth in a Cuban banking report, at the very portals of the United States, with a capacity to stock the markets of her great and wealthy neighbor with tropical supplies in a few hours.

In meeting the new stimulus to activity which the new highway of commerce will present to Cuba, our people will be called upon to demonstrate the maxim that "competition is the life of trade."

The lecture was given in Spanish, as usual, and was duly applauded.

BANKING CHAIR FOR HARVARD

Cambridge, Mass.—Edmund Cogswell Converse, of New York, president of the Bankers Trust Company, and also of the Astor Trust Company, has given Harvard University \$125,000 to endow a professorship of banking in the Graduate School of Business Administration, one of the newest of the Harvard graduate departments.

Mr. Converse, who is a native of Boston, is descended from an old New England family, and many of his ancestors were graduates of Harvard. He did not attend the college himself.

UNION NATIONAL BANK DIVIDEND

Washington, D. C.—The comptroller of the currency has authorized the payment of a second dividend of 15 per cent to creditors of the Union National Bank of Columbus, Ohio, and a 10 per cent dividend to the creditors of the First National Bank of Salmon, Idaho.

Three Forks, Mont.—E. M. Paulsen resigned as president of the First National Bank. P. M. Abbott was elected in his place.

Ohio

Cincinnati Clearing House Association has undertaken reorganization of Second National Bank of Cincinnati and guarantees its deposits. All members of old board of directors have resigned, and new board will be elected to manage bank until shareholders have formulated plans of reorganization. Bank's capital is \$1,000,000 and deposits \$8,000,000.

U. G. Walker, former president of the South Cleveland Banking Company, which he was accused of wrecking, was refused a pardon by the state board of pardons at Columbus last week. Walker was sentenced to the penitentiary more than two years ago to serve five years for perjury. Depositors at the bank, mostly poor people from Newburg, lost about \$400,000 in the crash. County Prosecutor Cline took a prominent part in opposing Walker's pardon. When Harry Hayes, banker and broker, was pardoned, Cline wrote the pardon board at Columbus, strenuously objecting to the pardoning of other bankers.

Cleveland.—An officer of the United Banking and Savings Company says that deposits had exceeded the \$6,000,000 mark by a good margin, creating a new high record for deposits at that institution. The United has been nothing short of marvelous and is indicative of conservative banking methods as well as a substantial business growth in the territory where the bank is located. The gain in deposits during the year has been about \$1,000,000.

SAVINGS BANK DEPOSITS IN NEW YORK

New York City.—Savings banks report that deposits in general remain about normal. Some institutions, however, have had a considerable increase recently, particularly those situated in thickly populated districts, where there are several savings banks, some of which pay 3½ per cent and others 4 per cent annually on deposits.

For two or three years, the increase in savings deposits has amounted to a little over 4 per cent annually, or slightly in excess of the average amount of interest credited depositors. There are several reasons explanatory of this.

One is that savings deposits in that period have represented more truly the real savings

of the people and not deposits of those who take advantage of the return they receive on their funds from such institutions and deposit up to the limit allowed. These deposits are not sought or welcomed by the more conservative institutions.

Another factor which has kept deposits from increasing at the rate at which they formerly did is that the advanced cost of living has in many cases eaten up the surplus which at one time was regularly deposited in the bank.

There are four times in the year when deposits do increase more rapidly than usual. At the beginning of each quarter a large number of depositors take advantage of the few days of "grace" allowed and deposit in large amounts. Many depositors even keep their money until one of these periods arrive before making a deposit. For that reason deposits at the beginning of April were larger in comparison than previously. The increase this quarter was not exceptionally large.

NEW WASHING MACHINES

Washington, D. C.—The problem of washing and ironing dirty paper money appears to be solved by some new machines which have been perfected in the government's bureau of engraving and printing. One of these machines will take a dirty, germ-laden piece of currency and turn it out slick, clean and crisp in two minutes and the other will do the same job in three.

The machines are expected to save about \$1,000,000 a year for the government, as 60 per cent of the paper money now sent to the treasury for redemption can be circulated again by washing it. Director Ralph, who has worked with the scientific experts on the creation of the machines, figures it will cost 20 cents to wash and iron 1,000 notes.

Foreign governments are watching the tests. The Reichbank, the national bank of Germany, recently sent 47,000 marks to the bureau and the bills were laundered perfectly. Beginning to-morrow, the machines will wash about 25,000 a day by way of furnishing further experiments.

The First National Bank of Albany, Oregon, will erect a 5-story bank and office building this summer at a cost of \$75,000. W. F. Tobey of Portland will be the architect.

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For Sale Cheap. 300 second hand safe deposit boxes, in four sections. Will sell either 132 or 168 boxes. Good proportion of small and large. Good condition. Write for full description. Southern Illinois Trust Company, East St. Louis, Ill.

FOR SALE—Miscellaneous

1-A Reflex, focal plane shutter, Celorsix-inch lens. Cost \$84.50. Like new, \$45.00. Address, X-44, Chicago Banker.

1-A Graflex, 1C, Tessar lens, focal plane shutter (new out of stock), value, \$101.50. Sell, \$85.00 Cash. Address, X-55, Chicago Banker.

4x5 Goerz-Argo, latest model, Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$165.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale. 9 1/4-inch Goerz Dagor, Volue shutter. value \$97.50 Sell for \$50.00, like new. Six-inch Dagor, Koilos shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.00. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR M. LAWRENZ. The author takes up the problem of the whole monetary commission, appointed by congress, and discusses the means of providing a permanent safeguard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

History of Banking in the United States. John Jay Knox. \$5.00.

Practical Banking. Claudius B. Patten. \$5.00.

Modern Banking Methods. A. R. Barrett. \$4.00.

Elements of Foreign Exchange. Franklin Escher. \$1.00.

Gold Production and Future Prices. Harrison H. Brace. \$1.50.

Pushing Your Business. T. D. MacGregor. \$1.25.

Economic Causes of Great Fortunes. Anna Youngman. \$1.50.

Neglected Point in Connection with Crises. N. Johannsen. \$1.50.

Monies of the World. James P. Gardner. 50c.

Bankers' and Merchants' Perpetual Maturity Guide. \$5.00.

Trust Companies—Their Organization, Growth and Management. Clay Herriek. \$4.00.

Savings Bank and Its Practical Work. Wm. H. Kniffin, Jr. \$5.00.

Practical Treatise on Banking and Commerce. George Hague. \$3.00.

Banker in Literature. Johnson Brigham. \$2.00.

Bank Directors—Their Powers, Duties and Liabilities. John J. Crawford. 50c.

Credit Currency. Elmer H. Youngman. 50c.

Natural Money. John Raymond Cummings. \$2.00.

Two Thousand Points for Financial Advertising. T. D. MacGregor. \$1.50.

All or any of the above books will be sent, carriage prepaid, by

THE CHICAGO BANKER,

407 Monadnock Building, Chicago.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

chants Bank of Vandalia. The bank will be converted into a national as soon as the preliminaries can be arranged. For the present it will be conducted under the name of "The Bank of Brownston." The soundness of the bank is guaranteed by John U. Metzger, William Sonnemann, E. F. Steinhauer, and G. T. Turner.

E. J. BOWMAN, president of the Daly Bank and Trust Company of Anaconda, Mont., and one of the representatives from that state on the executive council of the A. B. A., has just returned from an extended stay on the Coast. He does not know whether he will be able to make the trip to Briarcliff to attend the sessions of the executive council of the American Bankers Association, although he hopes so to arrange his affairs as to permit his joining the special train which will leave Chicago on May 4th. Everybody who met Mr. Bowman at New Orleans will hope that he can be on hand.

THE membership of the A. B. A. in Illinois at the present time is 815, while the total number of banks and bankers in the state is 1,777. If eighty-five more members from Illinois could be secured it would entitle the state to another member on the executive council. Secretary Fred E. Farnsworth has requested Messrs. George, Lampert, Edens and Green to do a little missionary work, and see if they cannot procure a sufficient number of new members to increase the council representation before the convention to be held at Detroit in September.

ALL non-members in Illinois take warning. If this committee gets busy, there will be no escape for you. Messrs. Edens, Lampert, Green, and George are representatives from Illinois on the executive council of the association.

ANGLO AND LONDON PARIS NATIONAL BANK of San Francisco announces the organization of a bond department under the supervision of their officers, and under the management of Challen R. Parker. They are well prepared to deal in California municipal, railroad and corporation bonds as well as eastern securities, and offer their services in marketing both listed and unlisted bonds.

MR. PARKER has had valuable experience along this line and enjoys a wide acquaintance in California banking circles, having been associated with the house of N. W. Halsey & Co., at San Francisco, for a long time. He recently spent some time in Chicago studying methods in vogue in the bond departments of the various banks in this city. His many Chicago friends all join in hoping for substantial results from his new department.

FIRST TRUST AND SAVINGS of Oakland, Cal., was organized only in 1908. It is allied with the First National of that city. The First National is one of the earlier national banks of California, having been established in 1875. It carries deposits in excess of three millions. P. E. Bowles, its president, also is at the head of the First Trust, and the American National Bank of San Francisco. The American National heads the directory in that important financial center with six millions in deposits.

THE First Trust of Oakland has had a phenomenal growth in deposits during the five years of its existence and carries deposits in excess of two millions. O. B. Jacobi, its cashier, is a talented and progressive young banker, and is entitled to a great deal of the

credit for the splendid showing the bank has made.

FIRST NATIONAL and First Savings of Peoria send out an attractive booklet showing the front of their handsome new building, and a full-page illustration of their interior. Nothing in the state surpasses it in elegance of appointment and convenience and comfort. Messrs. Stone and Weber of these two banks are among Peoria's most successful men.

CENTRAL TRUST COMPANY OF ILLINOIS recently supplied the state and savings banks of California, Oregon and Washington with a pocket edition of the American Bank Directory, containing a list of the banks in these three states. The book is handsomely bound. Brother Edens is receiving some congratulatory letters thanking the bank for this remembrance.

SAN ANTONIO CLEARING HOUSE ASSOCIATION and associated banks are sending out handsomely engraved invitations for the twenty-eighth annual convention of the Texas Bankers Association to be held at that city, May 7th, 8th, and 9th. The entertainment and reception committee contains practically all of San Antonio's leading financiers.

FORMER Chief of Police George M. Shippy and former Inspectors Nicholas Hunt and Charles C. Dorman have organized "The Shippy-Hunt-Dorman International Detective Agency," with offices in the McCormick Building.

MERCHANTS AND MANUFACTURERS STATE BANK of Minneapolis serves the business district of North Minneapolis. It has had a fine growth during the few years it has been in business, deposits running well in excess of \$600,000. A. M. Hovland is the president, and C. L. Strom is cashier. They also conduct the Camden Park State Bank, recently organized. Mr. Strom is vice-president of the newer institution. He takes a lively interest in the development of North Minneapolis, being an active officer of the Commercial Club, whose quarters are beautifully appointed, and are located over the Merchants and Manufacturers Bank.

F. H. GOFF of Cleveland will be in New York, after May 1st, and will go up to Briarcliff direct from there.

MRS. GEO. M. REYNOLDS, having regained her health, will accompany her husband to Briarcliff on the Chicago special.

MRS. EMORY W. CLARK of Detroit is due by Steamer Olympic in New York on May 1st, where she will be met by Mr. Clark. They will come up to Briarcliff with the New York bankers.

WM. B. CONKLIN, for many years an officer of the Prairie State, and the Prairie National, has accepted an appointment as the active vice-president of North West State Bank, of which the other officers are Joseph R. Noel, president; James Davis, vice-president; Albert S. Boos, cashier; Frank W. Hausmann, assistant cashier.

J. FLETCHER FARRELL and Charles H. McNider will bunk together en route to Briarcliff. If they get to going on the constitutional amendment may the best man win.

AMAN was in the other day to talk over the A. B. A. line-up for official staff. He believes—enough Cogswell—"that if you are going to give it to New York state (meaning the chairmanship) give it to New York City proper."

HERE'S what he got. New York City has held the chairmanship of the council two-

thirds of the time for the thirty-six years of the life of the A. B. A.

GEORGE S. COX, president of the American Exchange National, New York, was chairman from 1876 to 1881.

JACOB D. VERMILYE, president of the Merchants National, New York, took the gavel and held it from 1881 to 1883. Then Geo. S. Cox, president of the American Exchange National, New York, held it three years more to 1886.

JOHN J. KNOX, president of the National Bank of the Republic, New York, held it one year, when it jumped over to Philadelphia for one year, Wm. H. Rhawn holding it down.

RIGHT back it went the next year to New York, and E. H. Pullen, Jos. C. Hendrix, and Alvah Trowbridge kept it among them until 1896. Since then Whitson in 1904, and Lewis E. Pierson in 1907, have been chairman. Doing right well even for New York. So let Albany have a show.

THE National Monetary Commission has been off the pay-roll for three weeks now, and its former members are trying to locate new jobs with expense account privileges attached. Feel better now, don't you?

THE progressives are after George Woodruff again about the chairmanship of the Illinois council. It's a question of human endurance just how long a man can resist such a temptation. Aisthorpe's friends continue active and ask "only one more chance."

J. W. CLISE of Seattle, is a real farmer as well as a banker. He lately has captured two big silver cups representing the world's championship in Ayrshire cattle. This makes twenty-six cups in all held by Mr. Clise whose farm is only fourteen miles from Seattle.

PRESIDENT JAMES G. CANNON of the Fourth National of New York has been rewarding some of his deserving young men by moving them forward a few pages on the official staff.

ERNEST W. DAVENPORT and Charles E. Meek, both seasoned convention goers, have been raised from assistant cashiers to be full-fledged vice-presidents. To fill the vacancies thus created, Charles E. Fox, Edwin T. Ross, and Raymond B. Cox were appointed assistant cashiers. This constitutes an enlargement of the staff of the Fourth National to a point more consistent with its large recent growth.

H. S. BURPEE of the Rockford National has sent out particulars about the corn contest, which his bank is intending to conduct the coming season. Five cash prizes ranging from \$10 to \$100 each will be paid for the largest yield of one measured acre of corn raised in Winnebago county. The contest is open to every farmer.

FARMERS of Winnebago county can enter the contest by registering their names and addresses at the Rockford National any time up to June 1st. There will be further announcements. Anyone interested can secure all the necessary information by addressing H. S. Burpee, cashier.

MORRIS GOLDWATER, secretary of the Arizona Bankers Association at Prescott, has sent out to members of council a proposed amendment to the constitution of the A. B. A., giving Arizona and New Mexico joint representation on the council on a combined A. B. A. membership in both of the states.

THIS plan will appeal at once to all those who are sentimentally inclined, and who have not read up on the present constitution, which allows representation to states in com-

bination, where no one of the states has enough members of the A. B. A. to entitle it to representation on the council.

WHAT Mr. Goldwater proposes would be what is known as "class legislation" in as much as it applies only to the two states named. The present constitution permits any two, any three, or any number of states to combine their membership, and to elect a member of council the same as individual states do. For this reason it is not likely that the proposed amendment to the constitution will be considered as a necessary or proper step.

E. K. SATTERLEE, connected for the past seven years with the Guaranty Trust Company of New York, has been appointed a national bank examiner. This is a further compliment to the American Institute of Banking, for Mr. Satterlee has been one of the principal workers in the big New York Chapter of that organization.

THE splendid training which he has had in the Institute course, and in employment in various capacities about the Guaranty Trust has equipped him in a most unusual way for the duties of his new appointment.

OKLAHOMA convention will meet at Tulsa on May 10th and 11th. Among the prominent speakers will be Banking Commissioner J. N. Dolley of Kansas, who will talk on his famous "Blue Sky" law, which has driven out crooked promoters from his state.

OTHER speakers will be L. K. Meek of Mulhall, J. D. Langford, state banking commissioner, and O. J. Fleming of Enid, all well and favorably known in Oklahoma.

THE agricultural end of the program will be in charge of J. L. Johnson of Kansas City, and "Credits" will be discussed by James Chenoweth of Oklahoma City.

TULSA is to have a brand new hotel ready for the occasion, and the local bankers have provided automobile rides, a professional baseball game, a barbecue, several receptions, and special souvenirs for the ladies. There ought to be a large attendance.

ST. PAUL has scored one over Minneapolis by having Joseph Chapman, Jr., referred to as from that city at a bankers meeting held at Fargo. The only way Mr. Chapman can be divided up successfully between the two cities

is by a consolidation of the two municipalities under a name which will do credit to both.

"BANKING REFORM" is the title of a new Chicago publication, or rather a house organ, for the National Citizens League, which is to be devoted to the promotion of a sound banking system.

MEMBERSHIP in the league costs but \$1 per year, and entitles the member to copies of "Banking Reform," and to all other matter distributed from 223 West Jackson Boulevard, Chicago.

IF you have small safes or used bank equipment for sale there is a good demand among the many small banks about to open for business in this state. A letter addressed to the organizers at the various points probably would find a purchaser.

"BUSINESS EXPERIENCE," published regularly by the Everett Audit Company of this city, takes the position that efficient service by an auditor cannot be given on a competitive basis. Mr. Everett says that a company obliged to submit a bid for work usually sees to it that the work comes well within the bid.

THOSE who are looking for absolutely safe and accurate results should employ auditors or accountants by the day, and not by the job, if they want reliability.

FRANK D. BRUNDAGE, assistant manager of Knauth, Nachod & Kuehne, 15 Williams Street, New York City, is inviting members of the A. B. A. council to call when in that city in connection with the Briarcliff meeting to be held May 6th to 9th.

CASHIER.

WILLIAM G. EDENS ON CONDITIONS IN MINNESOTA

W. G. Edens, assistant secretary of the Central Trust Company, returned from Minneapolis Monday morning, where he assisted at the regularly quarterly audit of the finances of the supreme lodge of the Knights of Pythias. Business and farming conditions in Minnesota appear to be in a favorable condition. Most of the seeding has been done. All of southern Minnesota was visited by a much-needed rain on Saturday night and Sunday. Mr. Edens conferred with his fellow members of council, Messrs. Chapman and Orde, and was much pleased to learn that substantial progress has been made in the bankers program looking to agricultural development and education in Minnesota. Educators and farmers are co-operating heartily, not only in these matters, but in the matter of road development. All classes of citizens in Minnesota are lending a hand in this development. Even during the winter months when the snow was on the ground, as it is practically throughout the entire winter in Minnesota, great headway was made in actual road building. Under the Elwell law in Minnesota road districts may issue bonds for good roads to be redeemed in ten annual installments, counties and benevolent interest. The report of the Minnesota high-fitted properties paying half of the cost and way commissioner, which will be issued soon, will show that great headway has been made in this state in the matter of state assistance. The weather was very favorable for road and farming work, and bankers of Minneapolis and St. Paul are feeling greatly encouraged by the outlook for farm crops, and improved business conditions. Mr. Edens spent Sunday at Winona with banking acquaintances on his way home.

The capital of the Sioux Falls (S. D.) Savings Bank has been increased from \$100,000 to \$200,000.

A 6% Investment

We own and offer a limited block of a well-known equipment and real estate mortgage, secured by nearly two for one, with a clean financial record. These bonds are held by many banks—one prominent institution holds \$250,000 for its own investment. They mature in 1916 and may be obtained so as to net you 6%.

The full particulars will be promptly furnished to you—and without cost or obligation on your part, either.

D. Arthur Bowman & Company
INVESTMENT BANKERS

Third National Bank Building

ST. LOUIS, MO.

ALL BRANCHES OF BANKING

1857



1912

ORSON SMITH	- - - President	P. C. PETERSON	Assistant Cashier
EDMUND D. HULBERT,	Vice-President	C. E. ESTES	- - Assistant Cashier
FRANK G. NELSON	- Vice-President	LEON L. LOEHR	Sec'y and Trust Officer
JOHN E. BLUNT, Jr.	- Vice-President	F. W. THOMPSON,	Mgr. Farm Loan Dep't
J. G. ORCHARD	- - - Cashier	H. G. P. DEANS	- - Mgr. Foreign Dep't

CAPITAL AND SURPLUS - \$9,000,000



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

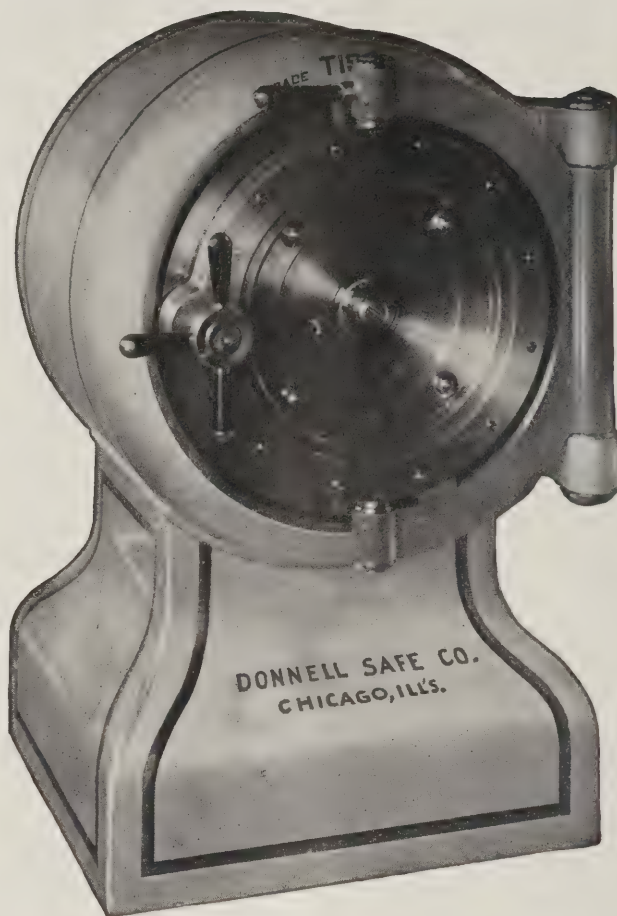
THE NATIONAL CITY BANK OF CHICAGO

Capital	- - - -	\$ 2,000,000.00
Surplus and Undivided Profits		587,563.63
Deposits	- - - -	30,713,013.20

OFFICERS

ALFRED L. BAKER	- Vice-President	DAVID R. FORGAN	President	
H. E. OTTE	- Vice-President	HENRY MEYER	- - Assistant Cashier	
F. A. CRANDALL	- Vice-President	A. W. MORTON	- - Assistant Cashier	
L. H. GRIMME	- - - Cashier	WM. N. JARNAGIN	- Assistant Cashier	
W. T. PERKINS	- Assistant Cashier	WALKER G. McLAURY	- Assistant Cashier	
W. D. DICKEY	- Assistant Cashier	R. U. LANSING	- Manager Bond Dept.	
		M. K. BAKER	- Asst. Manager Bond Dept.	

Donnell Safe Co.



General Western Agents for the York Safe & Lock Co., who have the best-equipped safe factory in America. ☛ ☛ Their Manganese safes are superior to any in the market. ☛ We sell these safes subject to a test against any Manganese safe made and will guarantee all our work equal, if not superior, to any made. We can refer you to any banker in Chicago. We carry the largest stock of bank safes in Chicago. Burglar vault doors, vault linings, burglar safes that have been used always on hand. ☛ A large lot of second-hand deposit boxes that are modern and good as new.

227-229 Washington St., Chicago, Illinois

Fourth Street National Bank OF PHILADELPHIA

Capital	- -	\$3,000,000.00
Surplus and Profits		6,500,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board	
E. F. SHANBACKER, President	FRANK G. ROGERS, Vice-President
JAMES HAY, Vice-President	R. J. CLARK, Cashier
B. M. FAIRES, Vice-President	W. A. BULKLEY, Assistant Cashier
W. K. HARDT, Assistant Cashier	

The Girard National Bank OF PHILADELPHIA

Capital	- -	\$2,000,000.00
Surplus and Profits		4,585,000.00
Deposits	- -	40,000,000.00

FRANCIS B. REEVES, President

RICHARD L. AUSTIN
Vice-PresidentJOSEPH WAYNE, Jr.
CashierTHEO. E. WIEDERSHEIM
Second Vice-PresidentCHARLES M. ASHTON
Asst. Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

APRIL 27, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

Deposits Up

So far as national bank deposits go in Chicago, they are up nearly 10 per cent over last call. In the fifteen national banks the figures at the close of business, April 18th showed to \$489,800,000. This was \$3,878,000 more than the deposits reported by the same banks as of February 20th. While the deposits in the nationals were increased only by a small amount in the two months between the two calls for statements the loans were expanded liberally. In this item there was an increase of \$16,500,000, or more than 5 per cent. There was a corresponding drop in cash resources, the decrease there being \$12,800,000. The proportion of cash means to total deposits was 38.5 per cent. The increase in the total deposits of the national banks is attributed almost entirely to the Continental and Commercial. It shows a gain of nearly \$11,000,000 and a total of nearly \$191,000,000. The Fort Dearborn and a couple of the smaller national banks are higher in deposits also, but the other large institutions are lower. The First is off \$3,000,000, the Corn Exchange nearly as much, and the Live Stock, Drovers, Republic and the National City are down from \$500,000 to \$1,000,000 each. In nearly all cases the larger national banks have held more deposits since the February reports than are now shown, but country balances have been drawn upon for use. Several of the larger institutions that lost deposits during the past two months have increased their loans during the period and are consequently lower in cash.

ENDEAVOR TO INCREASE ILLINOIS A. B. A. MEMBERSHIP

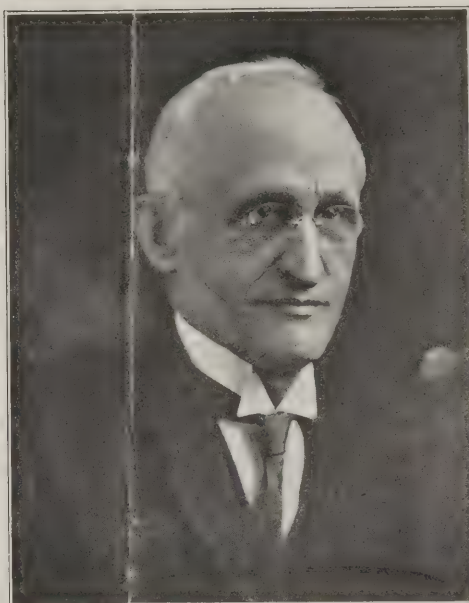
Judge S. B. Montgomery, chairman of the executive council of the Illinois Bankers Association, N. F. Thompson of Rockford, Latham T. Souther of Springfield, Treasurer D. A. Wyckoff and Secretary Crampton have promised their hearty co-operation with members of the A. B. A. council from Illinois in their efforts to increase Illinois membership of the A. B. A.

FARMERS NATIONAL AT PEKIN

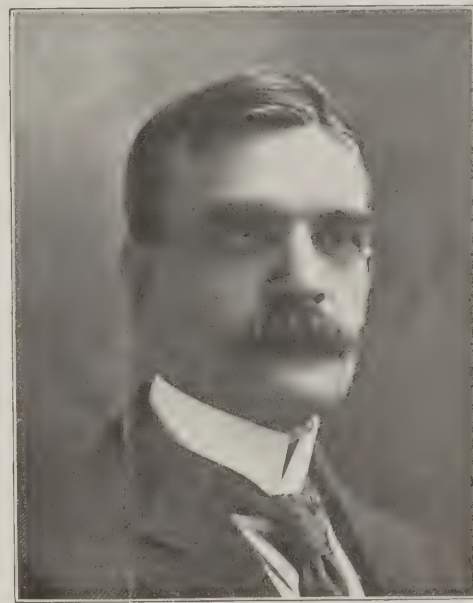
On Wednesday last the Farmers National, Pekin, opened formally in their new banking quarters, among the finest in the state. The new home is on the old site, first occupied thirty-seven years ago. The building has a frontage of 62 feet by 95 feet on the Capitol street side. The entire front is of Green River marble, which is obtained from but two quarries in the United States, and Brazil dark brick, trimmed with stone. The cost of the building and improvements will total close to \$90,000, but the directors are building for years to come, and the bank's facilities are such that the business can be cared for if Pekin should grow to ten times her present size.

While the exterior presents a handsome and dignified appearance, the interior is a revelation, with its rich, but tasteful, appointments. Entrance is through fine bronze doors. The first vestibule has side walls and ceiling of Shiros marble, beautifully mottled. The main floor is marble, and the trim and finish the fin-

Louisiana Bankers Officials



JOSEPH GOTTLIEB
BATON ROUGE, LA.



L. M. POOL
NEW ORLEANS, LA.

Mr. Gottlieb, vice-president of the Louisiana National at Baton Rouge, is president of the State Bankers Association.

Mr. Pool, vice-president of the Hibernia Bank and Trust Company, New Orleans, is the Association's treasurer.

est to be had. The Farmers National organized in 1875, and now has \$100,000 capital, and \$125,000 surplus, all earned. Dividends of one-third of a million have been paid. The present officers are James M. James, president; V. P. Turner and George Steinmetz, vice-presidents; Arthur A. Sipfle, cashier; John M. Speers, assistant cashier; Rudolph Joerger, teller; C. H. Schurman, bookkeeper; Thad Mott, assistant bookkeeper; Carl Bottin, collection clerk. The directors are John Alfs, Frank Riese, John Fitzgerald, J. M. James, Adam Saal, George Steinmetz, and V. P. Turner.

AMONG THE CHICAGO VISITORS

Theodore Wentz, cashier of the German-American National at Fort Wayne, Ind., was a Chicago caller this week. Mr. Wentz is very active in the affairs of the Indiana Bankers Association and always attends its conventions. He reports business conditions in Fort Wayne as entirely satisfactory with good prospects for the future; George Woodruff, president of the First National at Joliet, and F. J. Eighmey, president of the First National at Waterloo, also visited Chicago banking acquaintances the past week; H. A. Arnold, vice-president First National Bank, Audubon, Ia.,

was a caller this week. He reports business conditions as satisfactory in that part of Iowa; H. G. Riggs, cashier Mercantile Trust and Savings Bank, Quincy, Ill.

Group 4

Group 4, Illinois, probably will hold its meeting about June 14th at Yorkville. J. M. Hurst, assistant cashier of the National Bank of the Republic of this city, and chairman of the group, it at present engaged in the preparation of a program and arranging for speakers to make addresses at the meeting. He expects to have all the details arranged for some time next week.

BANKERS TABLE TO BE ORGANIZED AT THE HAMILTON CLUB

On Wednesday of this week a meeting of the banker-members was held in the rest room of the Hamilton Club to arrange plans for having a table reserved in the main dining room of the new club house to be known as the bankers table. It is expected that this will prove to be an interesting feature of the club, and that it will be popular with the non-resident banker-members as well as those who reside in Chicago.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

OFFICERS

GEORGE M. REYNOLDS
President

JOHN JAY ABBOTT
Vice-President

GEO. B. CALDWELL
Vice-President

CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
Circulars on application

105 South La Salle Street

CHICAGO

WEIL, ROTH & CO.

CINCINNATI AND CHICAGO

Municipal **BONDS** Netting 3.80 to 5.50%
Corporation **BONDS** Netting 5 to 6%
Short or Long Maturities

INQUIRE FOR LIST OF OUR HOLDINGS

115 South La Salle Street

CHICAGO

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital - \$2,000,000
Surplus - 500,000
Deposits - 26,200,000

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARWELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
THOMAS E. NEWCOMER, Asst. Cashier
HARRY LAWTON, Manager Foreign Department

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908 \$ 9,887,954.84
February 5, 1909 11,617,691.24
March 29, 1910 15,041,357.21
March 7, 1911 21,574,956.79
June 7, 1911 23,137,746.88
September 1, 1911 24,500,075.82
December 5, 1911 25,445,199.89
February 20, 1912 26,207,446.32

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Drovers Deposit National Bank

OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-eight years rendered Efficient and Quick Service to its Correspondents

Resources, Nine Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER
GEO. M. BENEDICT
WM. C. CUMMINGS



Mainly About Banks and Bankers

PRESIDENT WILLIAM LIVINGSTONE of the American Bankers Association, with Mrs. Livingstone, will join the Briarcliff Special at Toledo. This train practically will carry the operating majority of the council, and two out of three of the administrative committee. Were it not for the fact that the good Mr. Huttig has been sojourning in New York for the past few months, the "work" of the association, so far as voting power and authority go, would be on board.

NOW comes Mrs. J. Fletcher Farrell, who wants to join the jolly throng, just after J. Fletcher had been assigned to the same padded cell with C. H. McNider of Mason City. That contest on the constitutional amendments, therefore, is off for the present.

THORNTON COOK of Kansas City, who succeeded Joseph Chapman, Jr., as head of the traveling check and money order committee, will not be able to go to Briarcliff as planned. Henry C. Fowler, president of the Fidelity Trust, will not return from Europe in time to allow Mr. Cook to be absent from his desk as executive vice-president.

APROMINENT down-state banker and attorney who prepared a bank supervision bill some few years ago, only to find that it was "killed in committee," has some novel ideas on the subject.

HE does not believe that the state should attempt supervision over any but incorporated banks, believing that it is a mistake to endeavor to control individuals or ordinary partnerships, as is done in some states. His investigation into that portion of the question convinces him that state supervision over a private bank merely gives it additional standing in the community without, as a matter of fact, creating thorough and effective supervision. Neither does he advocate compelling the small private banker to go under the same restrictions as applied to state banks, believing that it would be an unnecessary hardship.

HE believes that state and national banks should be allowed to remain in their respective classes, just as they are, and that a new class of banking corporation might be brought into existence for smaller communities and towns.

HE would leave these small banks free from many of the restrictions to which state banks are subjected, but would compel stockholders in such institutions to bear an unlimited liability, just as proprietors of private banks do now.

THESE ideas and likely many others will crop out when the bank supervision committee gets into harness. No doubt many of them will be shown to be impracticable and therefore will not be adopted.

PPRIVATE bankers of Cook county are holding weekly meetings with attendance not far from one hundred. Most of them seem to think that supervision is sure to come about, and many of them plainly state that they are in favor of it.

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager;

111 W. Monroe Street

Chicago

THEY do not say that they wish to be compelled to incorporate as state banks, and consequently the same idea as expressed in the above paragraphs by the down-state banker are getting some circulation among them. They believe that they can continue as private banks but under state supervision.

A NUMBER of them are advocating the sending of an invitation to President Harris, of the state association, to appear before them and explain the situation. This would be a very wise and sensible move and would operate to bring about a result which ought to be satisfactory, both to those who are advocating state supervision for all kinds of banking, and to those who would come under supervision for the first time.

FOLLOWING are a few short paragraphs giving in some detail the situation, so far as it has been passed upon by the membership of the Illinois Bankers Association.

IN one-bank towns of Illinois of less than 500 population there are 319 banks, 30 per cent (94) being organized, and 225 privates.

SEVENTY-FIVE PER CENT of these privates have voted, 44 per cent of them voting in favor of supervision, while in towns of five hundred and less than one thousand, only 36 per cent of the privates voting favored supervision.

THESE figures indicate that the size of the bank or town apparently has nothing to do with the question of supervision, or the ability to raise the capital for an organized bank, and that the smaller bank towns are more favorable to supervision.

TWENTY-FIVE towns of five hundred or less population have two banks, which is an indication that there is enough business to justify at least one good bank, while with two banks a competition may lead to unsafe methods, and one good bank, consequently, would be better than two weak ones.

IF 30 per cent (94) of three hundred and nineteen one-bank towns, of less than five hundred population, can organize under state or national requirement, with a capital of \$25,000, or more, it would not seem that these requirements are unreasonable.

IN one-bank towns of a thousand or more population there are from as many to sev-

eral times as many, organized as unorganized banks.

MINIER, a small town in Illinois, has the distinction of having the only postal savings bank open a whole month without showing a single deposit. This is one instance wherein the postal savings bank did not fill a "long-felt want."

LINCOLN COUNTY BANK up at Merrill, Wis., has doubled its capital stock, which now stands at \$100,000. The movement was taken to advance the interests of the bank, and bring into closer union with it some of the important manufacturing and mercantile enterprises.

THE bank has resources of practically a million dollars, and is going out after small as well as large accounts. The officers of the institution are A. H. Stange, president, and Charles J. Kinzel, vice-president and cashier.

UP to the present writing nothing further has been heard of "O. B. Cox," whose recent business has been circulating fraudulent drafts, using specially printed letterheads and envelopes of the First National at Joliet.

IT has been suggested that President George Woodruff in one of his many journeys around the world possibly might come across Mr. Cox, if he will keep it in mind. Mr. Woodruff is being importuned by his friends to run for the chairmanship of the council of the Illinois Bankers Association.

W. K. VANDERBILT, JR., has been elected a member of the board of directors of the Guaranty Trust Company of New York.

GLLEN M. GRACEY, cashier of the First State Bank at Holstein, Iowa, has sent out word that his bank has decided to increase its capital stock from twenty-five to fifty thousand dollars. The bank has been prosperous and a substantial dividend payer. The increased capital is to take care of growing business. Jens Bertelsen is president and Mr. Gracey is cashier.

FRANK W. ALDRICH, cashier of the McLean (Ill.) State Bank, publishes a small paper for publicity purposes. He is devoting considerable space to telling the farmers about testing their seed corn.

IT seems that this year more than ever before the farmers have been in quest of seed corn, and that the supply houses have been sold out. This makes it all the more important that the farmer who furnishes his own seed should test samples of it accurately.

MR. ALDRICH gives the Illinois Bankers Association great credit for its work in the soil conservation field, and quotes liberally the head of the Great Northern Railway, James J. Hill. Among other things McLean State Bank offered a prize for the best original poem to be used by the local boom committee. The prize was won by James Hart, who prepared a dozen stanzas in which all of the

(Continued on page 31)

SOLICITS

Bankers' Balances on favorable terms. Collections promptly remitted.



National Produce Bank

EDWIN L. WAGNER, President
JOHN W. LOW, Vice-President

CHICAGO

Produce Bank

RALPH N. BALLOU, Cashier
H. B. AHRENSFELD, Asst. Cashier



REMITTS

Promptly on all shipments to Chicago of fruits, farm and dairy produce.

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

JOHN A. LYNCH, President	W. T. FENTON, Vice-President
R. M. McKINNEY, Cashier	O. H. SWAN, Asst. Cashier
JAMES M. HURST, Asst. Cashier	WM. B. LAVINIA, Asst. Cashier
W. H. HURLEY, Asst. Cashier	WM. G. LEISENRING, Mgr. Bond Dept.
A. O. WILCOX, Mgr. Foreign Exchange Dept.	

THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-eight years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-President	R. F. NEWHALL, Assistant Cashier
JOHN F. HAGEY, Assistant Cashier	G. H. DUNSCOMB, Assistant Cashier

FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President
CHARLES L. HUTCHINSON, Vice-President
D. A. MOULTON, Vice-President
CHAUNCEY J. BLAIR, Vice-President
B. C. SAMMONS, Vice-President

FRANK W. SMITH, Cashier
JOHN C. NEELY, Secretary
J. E. MAASS, Assistant Cashier
JAMES G. WAKEFIELD, Assistant Cashier
LEWIS E. GARY, Assistant Cashier

UNITED STATES DEPOSITARY
FOREIGN EXCHANGE LETTERS OF CREDIT ISSUED

Charles H. Wacker
Clarence Buckingham
Edward A. Shedd
Edward B. Butler

DIRECTORS
Charles H. Hulburd
Edwin G. Foreman
Frederick W. Crosby
Chauncey J. Blair
Ernest A. Hamill

Martin A. Ryerson
Benjamin Carpenter
Charles L. Hutchinson
Watson F. Blair
Clyde M. Carr

The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

DIRECTORS

A. C. BARTLETT	MARVIN HUGHITT	ALBERT A. SPRAGUE
WILLIAM A. FULLER	CHARLES L. HUTCHINSON	SOLOMON A. SMITH
ERNEST A. HAMILL	MARTIN A. RYERSON	BYRON L. SMITH



THE LIVE STOCK Exchange National BANK OF CHICAGO

Is best able to serve country banks because of its

**LARGE CAPITAL AND SURPLUS
STRONG BOARD OF DIRECTORS
OFFICIAL SUPERVISION OF DETAILS
UNIFORM COURTESY
FAVORABLE LOCATION**

WE INVITE YOUR PATRONAGE

H. W. Yates Replies to Citizen League

In its issue of April 1st, "Bankers Reform," a publication of the National Citizens League issued from Chicago, contains several broadside upon as many different pages in reply to some of the objections published in pamphlet form by the writer against the currency and banking scheme proposed by the late Aldrich Monetary Commission. So much seems to be thought of this reply, that the league's secretary for the Nebraska section has issued a special letter addressed to the cashiers of Nebraska banks calling attention to it and offering to supply extra copies for their friends; also expressing the opinion "that this reply will meet with the approval of a large majority of Nebraska bank patrons."

In glaring head lines on the first page of the publication is the following:

"Mr. Yates' Attack a Confession that Bank Assets are not Based on the Commerce of the Nation."

Nebraska banker makes strange assertion: "That Bulk of Loans of Thousands of Interior Banks is Not on Industrial, Commercial and Agricultural Transactions—Curious Money and Credit Fallacies."

The comments which these head lines precede begin with the statement that these objections are "raised in Mr. Bryan's Commoner," the obvious intention being to insinuate a connection between Mr. Bryan, and the writer, and perhaps class both with the "political mountebanks and financial charlatans," who, the article says, are "vehemently denouncing" the proposed law.

No Alliance with Bryan

Nearly every one in my section of the country, and I think many elsewhere, know how widely the writer has differed with Mr. Bryan in his financial views, and the allusion can only be considered as along the lines of the methods pursued by the promoters of the Aldrich plan to confuse the minds of the ordinary reader upon a subject which most of them concede to be too deep for them. The quotation upon which these statements are based is taken from an address delivered by the writer last fall in Lincoln, and which was published at the time in the "Commoner," as well as in other Lincoln papers. This is all the connection it had with the "Commoner."

Nothing can be found in the quotation as printed which will justify in the remotest manner the assertions contained in the head lines. On the contrary its sole basis is a juggling with sentences, which would be expected only in the lowest type of political screed.

The quotation is as follows (italics added):

"At certain seasons of the year the interior banks usually find it advantageous to expand their loans. In all ordinary times they have no difficulty in getting rediscounts from their

"Banking Reform," the publication of the national monetary plan people, assails the veteran for his views. Considerable bitterness shown in paper

city correspondents. The borrowing banks do not have to search through their bills for distinctively commercial paper *having not more than twenty-eight days to run, of which they would have very little, and for acceptances and prime bills which most of them would not have at all.*"

The comment is as follows:

"Why do the interior banks not have notes and bills of exchange drawn for agricultural, industrial and commercial purposes, and not for the purpose of carrying stocks and bonds?"

By eliminating the vitally comprehensive words, "not having more than twenty-eight days to run," which follows, "commercial paper without a punctuation sign, the forced construction is reached that I say these banks do not have any "commercial, industrial and agricultural paper," whereas as a matter of fact they rarely have any other kind of paper and certainly few of them ever loan for "carrying stocks and bonds." That class of business it is notorious is transacted by an entirely different class of banks whose operations in that line in the opinion of this writer, and many others will be encouraged and fostered in the practical application of the Aldrich Plan.

Yates Says They Juggle with Facts

In order to give an appearance of consistency to his untrue statement, the editor answers his own question by quoting another extract apparently from the same address, and just as if it had been used in the same connection, which was as follows:

"Mr. Yates answers:

"The small banker has dealt with his customer as a man and not as a property. In extending assistance he has not always exacted security, but shutting his eyes to what he knew did not exist, he has taken as his sole security the trust and confidence he has reposed in the man."

This quotation, however, is not taken from the "objections raised in Mr. Bryan's Commoner," because it was not in that address, but is taken from an address delivered by the writer in Kansas City more than ten years ago, against branch banks. It has been reproduced in a recent pamphlet containing condensed extracts from a number of different

addresses, and doubtless it was from this condensation that the quotation was obtained.

This address was a defense of our system of independent banks whose existence would be threatened by a central bank with branches. The clause in question has reference plainly in the paper from which it is taken, to the early pioneer banks, who came into being before "collaterals" and "securities" have any existence in their respective communities. I am quite sure that my statement will meet with the unqualified assent of thousands of bankers all over the country. My own experience of nearly fifty years in banking, a large portion of which was under pioneer conditions, has enabled me I think, to understand some things concerning the subject, that to the editor of this so-called banking reform may seem as dense as mud. The clause has been forced from its plain connection in the published paper, and made to do duty in an entirely different relation.

Nevertheless, even in the connection into which it has been forced, it may be said with no fear of contradiction from bankers, that the personal equation element prevails largely in the business of all banks.

In fact it may be safely declared that a comparatively small part of the paper to which the Reserve Bank is to be restricted in ordinary times will carry any definite or distinct collateral security. The larger portion will have as its "sole security the trust and confidence reposed" in the makers of the paper, and the statements they may make.

The Next Broadside Follows

"John Law's Mississippi Bubble Recalled by Banker's Assertions that Paper Money Adds to Wealth."

In order to give the editor something along his academic line to write about, another positive mis-statement is inserted here. The word "wealth" does not occur in the quotation from my address. This writer is well aware that the political economist asserts what may be technically true that even gold coin forms no part of a nation's wealth, but I am quite sure that most people will say that the holder of a comfortable sum of either gold or bank notes would be considered as possessing so much wealth or at least so much capital that could be easily employed in the accumulation or production of wealth.

This writer, it can be plainly seen, is contesting to the best of his ability a proposition which of itself recalls because it may reproduce the conditions following the bursting of "John Law's Mississippi Bubble."

The quotation upon which the head lines are based is as follows:

"Paper money once issued and absorbed becomes a part of the actual capital of a coun-

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try and its withdrawal will have the same effect upon the business of the country, as the withdrawal of capital in any other form than actual currency. A panic is a violent and sudden obliteration of moneyed capital. Our currency, under whatever form it appears, has an intrinsic value of its own."

The statements here made are so absolutely true when considered by the experience of the past (including J. Law's Mississippi Bubble) that no one would dispute them except some scholar, lost in the mazes of political economy theories, and more ready to play upon the different meanings of words, than to attempt to fit those theories to the actualities of life. A discussion along this line might be interesting and doubtless instructive to some, but it cannot be regarded as supremely pertinent to the question under consideration. This much however, may be said concerning intrinsic value: When a man owns a farm from which a sure income is obtained, he has something which possesses intrinsic value; likewise the holder of a first mortgage upon the farm; the mortgage has intrinsic value because it represents the farm. The same is true for a bank note issued against the security of a government bond. If the promise to pay fails the bond will protect the holder of the note. The note therefor has intrinsic value because it represents the bond. Bank notes which are mere promises to pay without security are forced loans from the public, and for which when the notes are not taxed the public receives no consideration. They have no intrinsic value. When once put into circulation in any large volume the bank issuing such notes will hold a club over the country which will enable it to continue the issue and as inflation fattens on itself the volume must needs be increased until the end comes.

Its arbitrary withdrawal will occasion the same class of evils which followed the bursting of the Mississippi Bubble, and the bank failures of 1857. The public, however, cannot be so much interested in the personal views of any individual upon subjects only collateral to the main controversy, especially when such a discussion may be used to obscure or evade the real issue. It is, however, vitally interested in the details and practical operation of a proposed law which would revolutionize our currency and banking system. A cause must be very weak, which is forced to resort to the methods employed in the so-called reply to this writer's objections to the plan. The main points raised by him in the papers from which the quotations are taken are entirely evaded. Without going into these objections in detail, the writer will only mention two or three of them, which

cover the special claims made in favor of the Aldrich propositions.

Concerning the Membership in the Association

This writer has asserted that instead of being "a co-operative union of the banks of the country, big and little," which is constantly affirmed in its favor not only in "Banking Reform," but in the stereotyped speeches of its orators; the membership in this association will be limited to a comparatively few banks, and he has shown by the bill pending the reason for this assertion. Every bank joining the association must subscribe to the extent of one-fifth of its own capital in the capital stock of the association and once a member a bank cannot withdraw from membership except through the process of liquidation.

The only inducement offered is the facility of obtaining rediscounts, but as the banks throughout the country must loan on longer time than twenty-eight days, this privilege limited in the manner it is, would be of little value to them. Upon this point "Banking Reform" replying to W. S. Delano in this same issue under the heading, "a confusion of terms" develops a much greater confusion of ideas in its endeavor to make this limitation applicable to farmers' paper. The farmer it

says may either make long term loans called "investment paper," which it says must be left to one side, and not recognized in the scheme, or he may make "short time commercial paper, whose discount produces funds to pay the *cost of labor in cultivating and harvesting his crops and moving them to market*" (italics mine)—just as if all that could be done in twenty-eight days! Mr. Vreeland in his able speech in congress deals in no such nonsense, for he says the paper should represent "the products of the farm, and of the factory *on their way to market*" (italics mine), which is a very different matter, and usually can be managed in less than twenty-eight days.

The consistency of the statement made by "Banking Reform" concerning farmers' paper occurs to the editor, however, before the close of his article, for he again says: "If he (the farmer) does not now make short-time commercial paper, he will make it when his bank demands it," in order that it may use the paper in the re-discount market. In other words this class of paper is to be made to order as wanted, and not in the ordinary process of business. Mr. Vreeland also had something to say along this line, for in reply to a question he said the paper could be renewed in case of need.

Specially Manufactured Paper

Commercial paper manufactured for the purpose of being discounted would scarcely realize that ideal "liquidity" upon which so much stress is placed: a paper which is to come into being with actual commercial transactions, and to end when the transaction is closed. Most banks would not care to engage in this legerdemain kind of business. They do not have loans on stocks and bonds as city banks have, but must rely solely for their earnings in this 'discount of such paper as their clients will give them, and for this reason, if no other, they prefer the longer time loans, which nevertheless are just as strictly commercial paper as paper drawn for twenty-eight days. If this can be deemed a reply to the objection along this line, then the public should consider it closely, and see to what it may easily lead. The only banks which can supply bona-fide short time commercial paper are those in the large financial, commercial and industrial centers, and the plan in operation must result in a combination of the large banks all working together under different local organizations, but perhaps under a single control, and using the Reserve Bank with its gigantic note issuing privilege as an appendage to their respective institutions. If a banking trust does not now exist certainly

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the opportunity for one would be presented to an extent sufficient to satisfy the dreams of the greatest of our captains of finance.

"Banking Reform" Repeats

In a later issue "Banking Reform" touches again upon the twenty-eight day limitation by asserting that banks if they have any paper at all, must have twenty-eight day maturities. Of course some paper would be maturing in that time, but it is a fact known to everyone conversant at all with business conditions that in the agricultural districts there is always an increased demand for money at about harvest time, when farmers need advances to hold their crops, and not be forced to market at once, and when those who wish to use their produce for fattening stock require money for the purchase of feeders.

If banks there ever need rediscounts this is the one time, and it would be absurd to suppose that they would hold maturing paper of the same character to an extent sufficient to meet this increased demand.

In the matter of loans it is claimed that in no case can a bank borrow of the reserve association upon the security of stocks and bonds. Technically speaking, this is true for ordinary transactions, and at first sight it would look like a clear discrimination against such loans. In fact "Bankers Reform" asserts that the "pending plan drives Wall Street and its investment collaterals out of the commercial field." When we consider that "Wall Street and its investment collaterals" comprehends some of the largest commercial banks in the world, and some of the best securities in the world, this assertion seems very broad. What we find is this. No restriction of this kind is imposed upon the discount operations of the member banks, and in operation the plan will relieve these banks of their commercial paper, which to a large extent is a necessary incident to their business, and leaves them free to use their entire resources in loans based upon stock exchange or other securities, gilt-edged or otherwise.

When their own resources are exhausted in this manner they may then have recourse to the Reserve Bank, and obtain loans direct—not only upon commercial paper—but upon paper secured by the pledge of these securities. Under these circumstances the paper must come through and be endorsed by a local association—but this association may be composed solely of the same group of banks. With the power given to the Reserve Bank to

issue \$1,200,000,000 of untaxed notes, and as many more as it may please subject to tax—will anyone say that this may not lead to the wildest speculation and make possible a note inflation of unbounded extent?

Prevention of Panics

Prevention of panics is the strongest card played—I will not say in this game—but in this so-called education of the people. The public is sensitive upon this subject, and many are disposed to jump at anything which promises to secure them from these harrowing experiences. It means, however, a great deal to the public to realize what it may have to pay for the protection under this plan. It is conceded by all favoring the plan that panics are caused by excessive loans by banks upon stock exchange and other speculative securities. Instead of putting a check in some direct manner upon this admitted weakness the plan meets this difficulty, as has already been shown, by a contrivance which will relieve the banks embarrassed in this manner, and thereby stimulates and encourages the practices which these reformers apparently condemn. There are safe ways of preventing panics without incurring the risks covered in this scheme. Mr. Vreeland in his speech admits what this writer has repeatedly affirmed, that the Aldrich-Vreeland Bill now provides ample protection against any such happenings as those of 1907. He says "the fact that \$500,000,000 in case of a great impending crisis

could immediately be brought into circulation, would prevent the fear of a money famine."

Suggestions Made to the League

Granting with Mr. Vreeland that it is ineffective to prevent the trouble until it comes to a head, it yet can be easily seen that separate reserve associations organized wherever a currency association can be formed under the Aldrich-Vreeland Bill, with power to loan 50 per cent of their reserves, and a taxed circulation under specified conditions, would give all the protection needed. It would not necessarily put the business of the entire country under a central control, but would distribute the relief wherever it would be most wanted; and perhaps keep local money at home to a greater extent than is now done. This has been suggested, but of course nothing can be brought forward with any promise of success, so long as the Aldrich Plan is urged and supported with men and money to the exclusion of every other proposition. The citizens' league, it is said, is organized for the purpose of enlightening the public upon the subject of currency and banking reform. Why should it therefor hide behind the evasive declaration that it is supporting no particular plan? If it has no plan then it ought to get one as soon as possible. It is, however, well known that at this time there is only one plan pending, which is being pressed for adoption, and it is notorious that among the leagues' chief orators now engaged in this so-called education are some who were members of the commission which reported the bill to congress, and that its orators without exception, talk of nothing else than this measure. If the league is in favor of the Aldrich Plan, as seems to be undeniably the case, then the high sounding declarations of its orators along general lines should be made to fit the practical application of the bill introduced in congress. Instead of abusing and misrepresenting those who dare to say anything in opposition to the scheme the public it would seem should expect it to come out in the "open" and answer if it can be done, the objections raised by this writer and others in plain and unmistakable language.

Bonds of the Beloit Water, Gas and Electric Company's recent \$900,000 first mortgage 5 per cent issue have been placed on the Milwaukee market by Spencer, Trask, & Co. and Edgar, Rocker, & Co.

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President Joseph Gottlieb Urges State to Redeem Her Honor

Covington, La., April 27, 1912.—The state convention of the Louisiana bankers which closed a two-day session here this morning was one of the best attended in the history of the organization. Among the prominent speakers were Lewis E. Pierson of New York, ex-president of the American Bankers Association, and the Hon. Geo. M. Maxwell, director of the Pittsburgh flood commission, Washington, D. C. The reports of the officers show that the association is in a prosperous condition, while the membership is almost up to the total number of banks in the state. President Joseph Gottlieb delivered one of the most eloquent addresses ever heard at a bankers convention. He reviewed banking affairs and political conditions in the state, and made a strong appeal for the redemption of the honor of the state by providing funds for the payment of state bonds which matured in 1886, but which have not been paid either as to principal or interest. On this important subject Mr. Gottlieb said:

As a banker without character is a failure, and the banker who does not look upon his good name as a better asset than his gold reserve will sooner or later reap his reward, and the community be the sufferer, so, if we are to succeed, and our state and institutions are to flourish as they should, our integrity should be unquestioned and unquestionable. Unfortunately, the integrity of our state is questioned and our credit impaired by our failure to provide for:

1. Valid school certificates amounting to \$73,339 and issued under Act 126 of 1880, which represents the state's portion of amounts due school teachers, both city and country, and which were issued in lieu of salary warrants for services rendered.

2. The payment of coupon No. 12, which

Bonds legally issued have not been paid and other Louisiana securities find poorer market for that reason. Convention at Covington a huge success

represents six months' interest, July 1, 1879, to January 1, 1880, on our then bonded debt of \$12,000,000 and amounting to \$420,000.

In this connection the interest on our bonded debt of \$12,000,000 was paid for the years 1874-75-76-77-78, and the first six months of 1879, but as the constitutional convention of that year, under "State Debt" Act No. 3, provided "that the coupon of said consolidated bonds falling due January 1, 1880, be and the same is hereby remitted, and any interest taxes collected to meet the said coupons are hereby transferred to defray the expenses of the state government," said coupons were never paid. In other words, the interest taxes collected for the year 1879, and which were dedicated to the payment of interest on our bonded debt, were diverted to defray the expenses of the state government, and instead of "remitting" coupon No. 12 the state of Louisiana has by the constitution of 1879 and by a vote of the people to whom the "State Debt" and coupon No. 12 was referred, repudiated its payment.

3. Certain bonds and interest thereon, com-

monly known as "Baby Bonds." These bonds were issued for warrants, issued for salaries and for judgments rendered against the Louisiana State University, for the Insane, for the Deaf and Dumb, for the Blind, and Charity Hospital, and issued by a funding board created by Act 104 of 1880 in accordance with the constitution of 1879. That funding board was composed of Hon. Allen Jumel, state auditor; J. E. Egan, attorney-general, and E. A. Burke, state treasurer, and the duties imposed upon said board were to fund all valid auditor's warrants which were declared fundable by the constitutional ordinance and such obligations of public institutions as were provided for in said ordinance (provided that the same were evidenced by judgments). While the auditor's report to the "Baby Bond Board" showed outstanding general fund warrants for the year, 1874, to January 1, 1879, inclusive to the

amount of\$1,564,290.00
There was funded into

Baby bonds 1,156,669.00

Showing a scaling of general fund warrants of\$ 407,621.00 and of the amounts funded into Baby Bonds, we find they were issued for the following purposes:

Judgments

Charity Hospital	\$ 59,981.97
Institute for Deaf and Dumb....	4,413.73
Asylum for Insane	32,956.15
Agricultural and Mechanical College	119,150.87
Institute for the Blind	8,124.85

\$224,627.57

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Warrants

Kellogg's government\$ 691,192.36
Nicholls' government 465,477.50

\$1,156,669.86
224,627.57

Making a total of\$1,381,297.43
Less amounts paid
in for taxes\$106,275.00
Less amounts retired
Act 150 of 1894....364,295.00 470,570.00

Outstanding \$ 910,727.43

While the legislature by Act 150 of 1894 authorized the board of liquidation to use the surplus general fund for the purpose of retiring the Baby Bonds, at not more than 50 cents on the dollar, no bonds have been retired since Governor Foster's administration.

It is clearly shown that the Baby bonds were issued in payment of constitutional warrants drawn against the general fund of 1874 to 1879 and for judgments rendered against the Louisiana State University, Institute for the Deaf and Dumb, Institute for the Blind, Insane Asylum and Charity Hospital. That of the amounts issued during those years, \$465,477.58 were issued during the democratic administration of Governor Nicholls; that of \$691,192.36 issued during the Kellogg republican administration, that for the year 1875-1876, the democrats were in control of the house, Hon. E. D. Estelle, of St. Landry, speaker, and as all appropriation bills must originate in the house, it is evident that the great state of Louisiana has defaulted in its payment of principal and interest on bonds issued by a democratic funding board and on debts created by a democratic house under republican régime, and by the democratic administration of Governor Nicholls. I make these points for the reason that it seems to be generally accepted that our Baby bonds were issued for debts incurred during republican misgovernment, and during the days of carpet-bagging in Louisiana.

The ruling of the attorney-general of New York, that, owing to the failure of the state of Louisiana to pay interest and provide for the principal of the Baby bonds, which matured in 1886, the banks of that state are prohibited from investing for certain purposes in the bonds of this state, has seriously affected the value of the state, levee and other bonds in the money markets of the East. While the act which called the Baby bonds into existence provided for their payment out of the uncollected taxes previous to the year 1879, the mere fact that the taxes collected prior to that year were not sufficient to retire these bonds is not sufficient cause for their non-payment. Besides property sold to the state for taxes prior to 1879, and which property the state subsequently sold or transferred to the various levee boards, it seems should stand pledged to the Baby bonds, principal and interest. These bonds are just, valid and legal obligations of the state, and should be paid, principal and interest, up to January 1, 1886, at which time the bonds matured, and from which time interest should cease. Act 150 of 1894, provides for the retirement of these bonds at not more than 50 cents on the dollar, but as that is, in my opinion, repudiation of an honest debt, I am opposed to any such settlement and favor, and should like to have this association go on record as recommending to our next legislature, some provisions for the retirement of this debt. Our state's debt is not large and its credit should be made as good as any state in the Union, in fact, we should place ourselves in such a position that our securities would be acceptable for savings banks under the laws of the state of New York, and those of the New England states, which would give the stamp of approval, at once, to investors and financial institutions throughout the United States and foreign countries, and at the same time prove a benefit to the state in the refunding of its bonds.

There is, perhaps, no business, manufacturing, commercial or agricultural, within the borders of the state that pays on its assets or net worth more than do the banks, and yet

the banks and banking facilities are as necessary to the development of every industry, whether it be manufacturing, agricultural, commercial or mining, as is the payment of interest on our bonds or the proper maintenance of our educational department of state.

At the risk of criticism, and just as we have exempted from taxation mortgage loans under joint resolution 62 of 1908, amending the constitution, and by which amendment millions of dollars have been invested in this state by large financial institutions of the East, so, in my opinion, should banks be exempted from taxation on surplus beyond a certain proportion of their capital.

Under our laws a bank is not required to have a surplus in excess of 20 per cent of its capital, and if instead of paying out its surplus earnings in dividends, it should see fit to add strength and security to its stockholders and depositors by increasing its surplus, it should not be penalized, as it were, by taxing the accumulation, which, if paid out in dividends, it could not tax.

In conclusion, I want to make an appeal to the country bankers of our state in behalf of our New Orleans banking institutions to keep their surplus here in Louisiana, where it will be used for commercial, manufacturing, agricultural and industrial purposes, where it will be used for investments in our municipal, parochial, school, drainage, levee, and state securities, and not in New York, where it finds its way, to a great extent, to the New York stock exchange speculators and gamblers.

We are gradually learning the lesson that Wall Street should not be the central reservoir for our surplus, or idle moneys any more than St. Louis, Kansas City, Omaha or Chicago our store houses for our corn, oats, hay, bacon and other commodities that should be raised at home.

Too much of our money goes to the East for insurance, and other purposes and the sooner we learn the lesson of keeping our money at home, and patronizing home industry, all things being equal, the better it will be for our state and the South.



ESTABLISHED 1902

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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

E. E. Crabtree, of the banking firm of F. G. Farrell & Co. of Jacksonville and president of the Illinois Bankers Association for the year 1910-1911, has the following interesting comment to make upon banking and agricultural conditions in his section of the garden-spot of Illinois:

"Morgan County crop conditions are perhaps about the same as all over Illinois. Wheat, except an occasional piece, is reported dead, and is being plowed up. The spring is backward and very few oats have been sowed as yet. The ground is wet and cold. Farmers are all ready to begin operations as quickly as weather conditions will allow. Owing to the poor corn of last year, there is a great scarcity of seed corn and it is commanding a high price. Elevators are offering 73 cents to 75 cents this week for old corn. The roads during this winter have been practically impassable—never worse in the history of the county. Regardless of this condition, however, business has been very good. Improvement of roads has been a great topic locally. Our commercial association has had Homer Tice, chairman of the good roads committee of the legislature, to address them, and one of our local banks brought D. W. King of King road drag fame to address the road officials of the county. We are hoping the movement thus started will grow until Morgan County has improved her main thoroughfares by the building of hard roads. Farmers are in good condition, although by the loss of their hogs with the cholera and the reduced crops of last year they made no money but all were well fortified for such a year.

The demand for a year has been reasonably good in this community for a year or two. Land is selling for higher prices every month. A small tract five miles west of Jacksonville sold under the hammer about a month ago for 250.00 per acre; the improvements were very meager. The roof is about completed on the new Ayers National Bank building, our new seven story bank building—Jacksonville's first sky scraper, of which we are all very proud. Jacksonville is also much elated over the nomination of Andrew Russel for state treasurer."

Private Bank Publishes Statement

Winston's Bank of Sidney, Champaign

county, is one of the few private banks in the state which publishes a statement. The bank is most conservatively conducted and its strength is without doubt in its community. Not only is a statement published but each item is explained with care. In speaking of the statement the bank comments as follows: "It is with the view that the people have the right to know the financial condition of the bank with which they do business that this bank takes pleasure in submitting herewith the report of its condition April 15, 1912, with each item explained in detail." Miller Winston is the president and Harry W. Winston is the cashier.

Big Coal Land Deal

The largest coal land deal ever made in this state has been closed for coal lands in Jefferson county near Mount Vernon. The Chicago Coal Company was the purchaser. The deal includes options on 3,000 acres through the richest field in the state. The coal is deep and of superior quality, the lands lie a short distance from Mount Vernon, along the Burlington Railroad and the purchasers expect to put down at least six mines this year. The purchase price was not given out, but it will reach seven figures.

Montgomery is President

S. B. Montgomery has been elected president of the State Savings, Loan and Trust Company of Quincy to succeed the late E. J. Parker. Mr. Montgomery has taken a wide interest in the affairs of the Illinois Bankers

Association and is now serving as chairman of its executive council. He also occupies a high position in the banking circles of Quincy and the success of his bank, already one of the very largest in the state outside of Chicago, will be carried to the same high grade of perfection which characterized it under the very efficient presidency of Mr. Parker.

New Banks Chartered

State Auditor McCullough has issued permits for the organization of two state banks. One is the Logan Square Trust and Savings Bank of Chicago. It will be organized by Theodore W. Schultz, Theodore H. Schultz and Henry C. Nieman. The capital is \$200,000.

The other is the Martinton State Bank of Martinton, Iroquois county. F. P. Martin, E. S. Martin, S. A. Reeme and E. H. Munsterman will organize the bank, which will have a capital stock of \$25,000. The three men named first are officers of the First Trust and Savings Bank of Watseka, the county seat of Iroquois county.

The Ravenswood National of Chicago will be organized with capital of \$50,000 by Walter D. Rathje, W. T. Perkins, William W. Pollock, B. B. Herbert and C. W. Chandler.

Some Industrial Notes

Although there is complaint that certain aspects of the industrial market are not as

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If you have any trouble in collecting your out-of-town items just send us a wire and our transit man will be on his way to your city inside of thirty minutes.

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INCORPORATED
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STRAUS BUILDING, CHICAGO.



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good as a few years ago, yet there is progress in operative work throughout the state. A number of new electric lines are planned for interurban service in the state, one line now being projected from Quincy east and north-east through Camp Point, Clayton, Mount Sterling, Rushville, Astoria, Canton, Hollis and on into Peoria. Another road to be built is a portion of the line from Kankakee to Urbana, at the latter point making connection with McKinley's Illinois Traction System. When this road is completed there will be complete interurban service from Chicago to St. Louis. The St. Louis, Springfield and Peoria railroad, a part of the Illinois Traction System, has certified to an increase in its capital stock from \$6,050,000 to \$7,850,000. Various other short lines and extensions are planned for this season.

Forgers Hard at Work

The Illinois Bankers Association has issued warnings to bankers to watch for the work of one "O. B. Cox" who has been printing fraudulent checks, drafts, letterheads and envelopes of the First National of Joliet. In Des Moines, Iowa, Cox represented himself as an agent for an Eastern filtering plant about to establish an agency and wished to negotiate for the purchase of a residence, offering a draft for \$575 and attempting to secure a part of this money in cash.

A party known as "Robert L. Gilbert," a forger, has broken jail at Carlinville. He forged checks on Macoupin county banks. He is reported as being "a very good looking young man" and the I. B. A. is anxious that he again be jailed to prevent his smooth work from being repeated.

Citizens League at Work

The National Citizens League, organized for the promotion of a sound banking system, is sending out from its Chicago office some interesting pamphlets on the national reserve plan. One pamphlet of especial interest to the banker in the smaller towns is entitled "The Small Banks and the National Reserve

Association." Bankers wishing same should address the National Citizens League, 225 West Jackson Boulevard, Chicago.

Illinois Notes

The board of education of Peoria has voted to make a bond issue of \$105,000 after a hot local election. This bond issue has been twice defeated before by wider majorities than the majority of 105 which voted to issue the bonds. The funds will be used for building purposes. Charleston has voted a bond issue of \$40,000 for improving the municipal water plant.

The Illinois Title and Trust Company's new building in Champaign is being rapidly pushed to completion and will be occupied within a few weeks.

CONDITION OF COUNTRY BANKS

A prominent banker of this city who is in close touch with country banks says that country banks in some localities are quite easy; in many there is a good demand for

money. A great deal depends now, probably as always, on crop prospects. Some of the borrowing banks, especially in South Dakota and Nebraska, are obliged to carry their loans until fall. Some anxiety is expressed in country banking circles in regard to the wheat situation. There is no doubt that in many localities winter wheat has been killed, but from what has been learned through country correspondents, and from reports on the Chicago Board of Trade, the condition of affairs has been exaggerated greatly.

HAMILTON CLUB ELECTION

On the two tickets known as the White, and the Red tickets respectively, just posted, for officers of the Hamilton Club for the ensuing year, W. F. Van Buskirk, vice-president of the Standard Trust and Savings, has been nominated for treasurer on the White ticket, while L. H. Grimme, cashier of the National City Bank, has been selected for the same position on the Red ticket. Lucius Teter, president of the Chicago Savings Bank and Trust Company, is the present treasurer of the club. He now is a candidate for the vice-presidency on the Red ticket.

BOYS ACRE CORN GROWING CONTEST

The Peoples Bank of Belvidere, this state, is offering prizes for the best one acre yield of corn raised during the season of 1912, by any boy in the county. Entrance is confined to boys of Boone County between the ages of thirteen and eighteen, and they are strongly urged to enter. Entrance must be made before June 1st, and full particulars may be had by addressing either Miss Elizabeth Harvy or Fred Warren of Belvidere, Ill.

NORTH DAKOTA BANK FAILURE

The First National Bank of Nome, N. D., has been placed in voluntary liquidation.

The Bank of Benson, Benson, Neb., has established a savings department.

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SURPLUS - - - 1,000,000

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Geo. D. Van Dyke
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R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

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FRED. C. BEST, Secretary
CARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

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BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

The call of the United States comptroller of currency on Wednesday for statements from the national banks on their condition at the close of business on April 18 finds banks of this class in Milwaukee with an excellent showing of conservative surpluses. A normal increase in demands for loans was noted this week with the approach of the summer season. Business is active and collections satisfactory. Demands for shipments are heavy and receipts are light.

A. J. Frame Addresses City Club

A. J. Frame, president of the Waukesha National Bank and veteran banker of the state, addressed the City Club, Saturday at its monthly luncheon in the Hotel Charlotte. The Aldrich monetary commission bill, now before congress, of which Mr. Frame has made an exhaustive diagnosis and upon which he has addressed bankers associations and other business organizations in all parts of the United States, was the subject of his discourse.

Death of Two Wisconsin Bankers

Two pioneer Wisconsin bankers were called by death in the past week: Jacob E. Friend, while touring in Italy, and Edward P. Brockway at his late home in Hartford, Conn. By a strange coincidence the men, both Milwaukeeans, were stricken within two days of each other and far from the scene of their early struggles for success.

Jacob E. Friend, one of Milwaukee's

wealthiest citizens and a director of the National Exchange Bank, dropped dead in the streets of Florence, Italy, on Saturday, at the point of his departure, with his wife and daughter, for the United States. Mr. Friend was 54 years old and a native of Milwaukee. He was president of the Nordberg Manufacturing Company, a director of the National Exchange Bank, Milwaukee Mechanics Fire Insurance Company, and the Northwestern National Fire Insurance Company, and a stockholder in many other enterprises in the city and state.

Edward P. Brockway died on Monday, at Hartford, Conn., which he has made his home since leaving Milwaukee, five years ago. Mr. Brockway was 80 years old and came to Wisconsin from New York state in 1849. He established the First National Bank of Ripon in 1856, and was president of the institution until 1890, directing its affairs during the last ten years of his presidency from Milwaukee, which he made his home in 1879. The funeral was held in Ripon on Friday.

Farmers Oppose New Income Tax Law

The new income tax law continues the main subject of discussion in every part of the state. The most violent opposition to the law comes from the farmers who, by reason of the complicated form of the agricultural blanks and the absence, in most cases, of adequate bookkeeping methods, experience the greatest difficulty in making their returns. With the approach of May 1st, the last day, according

to the notifications, that the returns may be made without incurring liability of a \$500 fine, the daily crowds in the offices of Carroll Atwood, assessor for Milwaukee country, increase. Some call for advice in filling out the blanks, but the greater number with the purpose of saving the notary's fee on oaths which the assessor administers free of charge.

Banks Involved in Bankruptcy Suit

Three Milwaukee banks are involved in the bankruptcy of Clement F. Romadka of the Romadka Brothers Company, according to a voluntary petition filed by him on Saturday. His total liabilities are listed at \$691,186.60, offset by unexempted assets to the value of \$100. The First National Bank is the largest creditor, with three notes totaling \$186,000, besides additional notes of the Seattle branch of the company discounted by the bank, totaling \$10,000.

The Citizens Trust Company has two notes for an aggregate amount of \$205,000, secured by mortgages on the company property.

Through the personal guarantee of the petitioner for all indebtedness accrued by the Milwaukee Stamping Company, the Germania National Bank is listed as a creditor to the estimated amount of \$40,000.

Plan to Honor Waukesha Banker

Citizens of Waukesha are planning a public reception for Andrew J. Frame, president of the Waukesha National Bank, in recognition of the close of his fiftieth year of continued



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - \$500,000.00
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Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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JOHN CAMPBELL, Vice-President	H. J. PAINE, Assistant Cashier
F. X. BODDEN, Assistant Cashier	S. H. MARSHALL
G. A. RUESS, Mgr. South Side Branch	R. N. McMYNN
J. H. TWEEDY, Jr.	C. C. YAWKEY
GUSTAV RUESS	

service in the bank, on May 1st. A committee of thirty business men is in charge of the arrangements and the program will include music, addresses, and social features. On May 2d, 1862, Mr. Frame entered the service of the bank of which he is now president, as office boy. He became bookkeeper, teller, assistant cashier and cashier before he had reached the age of 21, and succeeded Senator William Blair as head of the institution in 1880, following the latter's death. During Mr. Frame's administration the bank has outgrown two successive buildings and now occupies a third, upon a site 150 feet from the location of the log cabin in which its present president was born.

Group 2 Favors New Law

Resolutions favoring the enactment of a law placing the granting of new bank charters in the hands of three commissioners, including the state bank examiner, were passed by Group 2 of the Wisconsin Bankers Association which convened at Madison last week. Other resolutions were passed favoring the issuance of checks of uniform size, and uniform interest rate not to exceed 3 per cent, and the tentative plan of the insurance committee for mutual insurance of bank deposits. The resolutions will be submitted to the State Bankers Association at the annual convention in Milwaukee, July 24-25.

Election of Officers

Officers elected were: President, W. F. Winchester, Reedsburg; vice-president, F. W. Stephens, Livingston; secretary and treasurer, Charles O'Neil, Madison; members of the executive committee, W. H. Doyle, Platteville, and August Paunaek, Madison. J. J. Jamison, Shullsburg, will be official delegate to the state convention.

Waterloo Bank Increases Capital

Commissioner of Banking A. E. Kuolt has approved an amendment to the articles of incorporation of the State Bank of Waterloo, increasing its capital from \$27,000 to \$50,000.

Purchase Controlling Interest in Manufacturing Concern

The controlling interest of the Van Brunt Manufacturing Company, Horicon, largest manufacturers of grain seeders in the world, has been purchased by Deere & Company, Moline, Ill. The Van Brunt Company, of which President Arthur W. Wilcox of the

Horicon State Bank is secretary, will remain a Wisconsin corporation under the present management, Willard A. Van Brunt, president of the company, having contracted, he states, to remain in his present capacity for at least eight years.

Milwaukee Notes

John H. Puelicher, cashier of the Marshall & Ilsley Bank, left Milwaukee this week for Washington, where he will spend a two weeks' vacation.

President Washington Becker of the Marine National Bank is expected to return within a few weeks from California, where he has spent the winter with his family.

WILLIAM G. EDENS AND C. R. McKAY SPEAK TO CHICAGO CHAPTER

There was a large attendance at the regular weekly meeting of the members of the Chicago Chapter of the American Institute of Banking on Tuesday, April 23d. C. R. McKay, head of the transit department of the First National, and chairman of the A. B. A. committee on the work of establishing the numerical system among A. B. A. and other bankers, gave a highly interesting address touching this most important technical subject, and at the conclusion of his talk answered many questions propounded by the employees of the various banks who were present at the meeting. Resolutions were adopted endorsing the work of the National Citizens League in urging the passage of legislation favoring the National Reserve Association plan. Committees were appointed to complete arrangements for the next election of officers. Several amendments to the constitution were proposed and received by the meeting.

W. G. Edens, assistant secretary of the Central Trust Company and a member of the executive council of the American Bankers Association from Illinois, was present and made an address relating to the subject of the success of the work of the American Institute of Banking. Mr. Edens pointed out the advantages to be gained by bank clerks in being identified with the organization, and strongly urged all banking employees to give favorable consideration to this phase of their banking opportunity. He pointed out many instances, not only in Chicago, but in many of the leading financial centers of the country, where

graduates of the Institute are occupying important positions in the official roster of the leading banking institutions. He told in an interesting way of a debate that occurred at the last convention of the American Bankers Association at New Orleans, participated in by one of the leading bankers of the South, a man of forceful and positive convictions, with the ability to present his views to the convention in an attractive way, yet, how he had been worsted in the debate by a former president of the Chicago Chapter who represented the other side of the question, Mr. Edens attributing the latter gentleman's ability to handle himself so successfully to his early training and experience in the Chicago Chapter.

IOWA CONVENTION DATES

Group 4 of the Iowa association held its meeting at New Hampton on Wednesday of this week. Group 1 will meet at Sheldon on May 2d; Group 2 at Fort Dodge on May 8th; Group 3 at Northwood on May 15th; Group 5 at Council Bluffs on May 7th; Group 8 at Clinton on May 9th and Group 9 at Lamoni on May 17th. Groups 7, 10 and 11 have held their meetings already, and the big state convention will come off at Cedar Rapids on June 5th and 6th. A strong program has been arranged and a large attendance is expected.

NEW BOND DEPARTMENT OF ANGLO LONDON PARIS NATIONAL

The new bond department of the Anglo London Paris National Bank of San Francisco, recently organized under the direction of C. R. Parker as manager, seems to have been a success from the start. A good business is being developed very rapidly.

FAVOR BANK GUARANTEE PLAN

George D. Bartlett, secretary of the Wisconsin Bankers Association, on his return from Madison, where he attended a meeting of Group 2, said the tentative bank guarantee plan recently submitted to the members of the association was endorsed, and a resolution was adopted recommending that the plan be considered in the convention of the organization in Milwaukee in July.

A charter has been issued to the State Bank of Sutton, N. D.



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CAPITAL \$2,000,000 SURPLUS \$2,500,000

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G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin

St. Louis, April 24.—The past week has developed no marked changes in the local market as compared with the preceding week or ten days. Bankers report a continued improvement in the general demand for credits, with the awakening from time to time of branches of industry, which have not been heard from as borrowers for months and months. No great activity had been anticipated among the heaviest local borrowers this month, notably the shoe people, but even these gentlemen have been in the market to some extent. A canvass of the whole sale district early in the week elicited the information that sales are running well over those of the corresponding period a year ago, and the outlook is auspicious. The most noteworthy characteristic in the market just now is, according to one authority, the steady advance in the cost of merchandise. This, in the case of dry goods, is due in a large measure to the strikes in the East. Manufacturers who have suffered losses are following their time honored custom of taking their deficits out of the consumer. A still further upward movement is anticipated.

Country Demand Heavy

Country balances here are being steadily reduced, and in many cases after the balances have vanished, the country banks involved have turned borrowers. Reserve banks here say that the spring demand will exceed that of last year by several million dollars, due to the shortage of corn and forage in the Southwest. While the season is backward, the demand materialized earlier than usual, due principally to the above cause. Offerings of commercial paper during the week have been much freer, particularly of 90 and 120 day periods, but the market for them has not been quite as good as hitherto. Call money is in abundance, but bankers are disposed to husband their funds. Shipments of currency to interior banks were the heaviest of the season thus far, with the sub-treasury taking a prominent part in the movement. Discount rates hold fairly firm, in the extreme range between $4\frac{1}{2}$ and 6 per cent.

Huttig's Improvement Continues

Thomas Wright, vice-president of the Third National, has just returned from New York, where he went to visit Charles H. Huttig, president of the Third National, who is convalescing there after his recent illness. Mr. Wright says he never saw Mr. Huttig looking or seemingly feeling better. "Mr. Huttig," said Mr. Wright, "could easily come home now and resume business if he desired and his friends would hear to the proposition. I went

for a drive with him, and he shows no traces of his illness. Mr. Huttig will attend a meeting of the Executive Committee of the American Bankers Association in New York early next month, and it is likely he will return to St. Louis about the middle of May. He seems anxious to get back here after so long an absence. There is no pressing need for him at the bank, and we will try to get him to put off coming to his office until the first of June." Mr. Wright seems optimistic on the general outlook for business and says eastern bankers with whom he talked are in the same frame of mind.

American Bankers Assurance.

Advices from Wilmington, Del., state that the American Bankers Assurance Company of St. Louis, chartered in Delaware with \$10,000,000 capital, which has recently been the subject of a tangled web of litigation, is in control of A. C. Landon, president, and Ivy B. Jones, secretary, both of St. Louis. This was determined Monday in a report filed with Chancellor Curtis by C. L. Ward of Wilmington, special master. The finding is adverse to a fraction of stockholders headed by John B. Christensen, vice-president. Mr. Ward was appointed master in a case brought by Attorney General Gray on behalf of Delaware, asking for a receiver. Proceedings against the company have been instituted by State Banking Commissioner Maull. In answer to the attorney-general's bill lawyers for Christensen, including John Leahy of St. Louis, admitted it was imperative for the preservation of the company's assets to have a receiver appointed. An answer, also filed by attorneys for the Landon faction, including Arthur Sager of St. Louis, made a general denial. The master directs that the Christensen answer be stricken out. He finds Landon has had the status of a de facto president since August 10, and continues: "The only shadow of a claim which can be made in Christensen's favor is based

on his possession of the so-called home office at Dover. The absurdity of such contention, based upon nothing but his purchase of the building and occupancy of it, is too manifest to require much attention."

Arkansas Banks Unite

Advices from Nashville, Ark., state that the Planters Bank and Trust Company and the Merchants and Farmers Bank of that city have consolidated. The merger became effective on Monday. The Merchants and Farmers Bank recently purchased the Lesser-Goldman Bank, and controls a large business, but as a majority of the stockholders in this institution owned stock in the Planters Bank and Trust Company, it was thought a consolidation would prove advantageous to all concerned. The new institution will retain the name of the Planters Bank and Trust Company and the officers will be the same, with the addition of Hunter Hughes, cashier of the Merchants and Farmers, who will be added to the list of assistant cashiers of the merged concern. Four directors of the absorbed bank will serve on the directory of the new institution.

Winchell Outlines Plans

B. L. Winchell, president of the Frisco, has been in St. Louis after a visit to New York. He takes an extremely optimistic view of the crop and business outlook, and says his road has decided to spend \$5,000,000 this year on improvements to meet anticipated increases in traffic. The expenditure will go partly into rolling stock and partly into rails, bridges and other improvements. Fifty locomotives of heavy type have been ordered, and several large orders for freight cars will be placed in the near future. Mr. Winchell says the floods have been disastrous to a large section of the territory through which the Frisco passes, but he believes this damage can be repaired, and things gotten in shape for putting in the most important corps, outside of wheat and oats, in the flooded region.

United Railways Earnings

The United Railways Company's gross earnings for March aggregated \$977,501, a decrease of \$4,769 as compared with the corresponding month a year ago. For the three months ending March 31st the gross receipts were \$2,804,315, a decrease of \$37,135 under the corresponding period in 1911. The net receipts for March, however, were \$316,100, an increase of \$13,607. The net increase for the three months period was \$31,713. This year's saving was made in the item of taxes and interest. Captain Robert McCulloch, president

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National Stock Yards - Illinois

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Capital and Surplus
\$3,000,000

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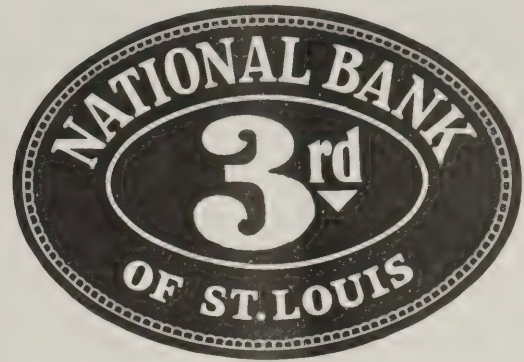
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SURPLUS
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DEPOSITS
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of the company, announces that within the next eighteen months about \$1,000,000 will be spent for reconstruction and equipment.

Commercial Club Finances

Sydney J. Roy, of Hannibal, Mo., secretary of the Federation of Missouri Commercial Clubs, has announced that Kansas City has come to the front with a donation of \$12,500 to the club federation fund. St. Joseph has under consideration a substantial sum for the fund, which will probably be forthcoming this week or next. With \$25,000 pledged by St. Louis, the total amount is brought up to \$37,500. It is the purpose of the federation to push a vigorous campaign of advertising and general up-lift work. Special attention will be given to immigration matters.

BANK OFFICERS HELD FOR DAMAGES

After three years of litigation, the Allen-Kingston Motor Car Company, of New York City, has succeeded in winning a substantial damage award from those held to be responsible for its being deceived into giving \$24,000 of its money to a company in Kingston which could not deliver the cars it contracted to make and which on going into bankruptcy transferred the contract to an equally shaky successor. Judgment for \$20,500 was awarded the Allen-Kingston company on the 16th inst., against E. R. Chapman, W. O. Allison and T. J. Lewis, officers of the Consolidated National Bank, of New York City, who, Walter C. Allen claims, persuaded him of the financial soundness and stability of the New York Car and Truck Company, which took over from its predecessor the contract to make cars for

his Allen-Kingston project. Previous suits brought by the Allen-Kingston Company against banks, officials and others involved all have been either dismissed or set aside on appeal.

CHICAGO BANKS BOOST NUMERICAL SYSTEM

The Universal Numerical System as adopted by the American Bankers Association a year ago, received a considerable boost in Chicago on April 19th, when representatives from practically all of the clearing house banks met for the purpose of devising ways and means to further the plan and extend its scope. A committee of seventeen was appointed with C. E. Estes of the Merchants Loan and Trust as chairman, and H. C. Stevens of the Standard Trust and Savings as secretary. It is the intention of the committee to give publicity to the plan, to urge its adoption by all Chicago banks as well as those throughout the state of Illinois, and to see, so far as possible, that all banks have the designated number printed on their checks and drafts. It has been demonstrated by a large number of banks in all sections of the country that the numerical system of registering transit items has already saved in time and labor many thousands of dollars as compared with the old method of registering by writing the names, and if a general adoption is secured throughout the country this saving to all the banks will be largely increased. Charles R. McKay of the First National, Chicago, is chairman of the committee on numerical system of the clearing house section, American Bankers Association, and he is working to enliven interest in the plan throughout the country so that the system may become universal so far as this coun-

try is concerned. To that end it is proposed to establish a similar committee in each of the principal collection centers for the purpose of hastening the adoption of the system in their own territory.

REHANDLING CHARGES ELIMINATED

It costs more to haul a consignment of merchandise from New York to Philadelphia by motor truck than it does to ship it by rail. Nevertheless, a certain transportation company is able to offer lower through rates on household goods from the shipping point in one city to the receiving point in the other than can be obtained by ordinary means employing railroad freight, and all because two rehandlings of the goods and two short team hauls, one at each end, are abridged, the labor being reduced to one loading and one unloading operation. This is real rivalry between the two forms of transportation; it affords the best possible illustration of what terminal costs mean to all shippers, and because the public at large pays indirect toll for all freight movements, it helps to show what the terminal problem means to the community at large.

LIPPINCOTT'S FOR MAY

Lippincott's for May is an automobile number but without any departure from the general high plane upon which the magazine is conducted. There is the usual long story—a complete novel—by Elsie Singmaster, entitled "Their Great Inheritance." "How Congress Squanders our Money" will interest every citizen. Then there are the usual short stories, timely articles, departments, etc. It's the best buy on the list at the price.

Editorial Comment

FAVORS STATE SUPERVISION OF BANKING

One of the clearest thinkers in the ranks of successful Chicago bankers is President Lucius Teter of the Chicago Savings Bank and Trust Company. He is a director of the Hamilton Club, one of the leading political and social centers of this city, and recently gave them a talk upon "Banks and Banking," a favorite topic with successful business men. His subject was not related to supervision, except as banking is related to it, but in the course of his remarks, Mr. Teter was speaking of the legal phases of the question. He took a very strong position on supervision, but probably no stronger than any other big bank president would take under similar circumstances. Mr. Teter said in describing banks and classifying them as:

First—National banks, operating under the federal statutes.

Second—State banks, operating under the laws of the state of Illinois.

Third—Private banks, operating without charters or supervision and without statutory provisions except those in the Criminal Code, providing punishment for accepting deposits after a bank becomes insolvent. (This last provision applies also to state banks.)

There is not very much one can say concerning private banking in Illinois, except that it seems to be the consensus of opinion everywhere that we should have some general legislation regulating this class of banks. Under existing conditions any person may open and conduct a private bank, even calling it by some high sounding name, without any restriction whatever, other than the ability to rent a room, secure a safe and fixtures and hang out a sign.

In practically all of our neighboring states legislators have passed laws regulating this class of banks, requiring, for instance, that they show certain amounts of paid-up capital and submit to some form of examination. I do not wish by implication to convey the idea that all private banks should be criticised, but if I am not greatly mistaken, the public has long since decided that banks are quasi-public institutions and that as such the people expect the state to have some hand in seeing that the banks are properly conducted. We have many properly conducted private banks in this state. Unfortunately, we have private banks that are not properly conducted, and it really would seem the part of good sense and good ethics for the good private bankers to invite a proper regulation of all banks doing business in the state. It must be obvious that, since there is no legislation regulating private banks, other than I have mentioned, these banks can conduct any class of banking they see fit.

Before leaving the legal aspect of banking, I should say that the stock of both National and State banks has a double liability.

Now let other incorporated officials come out squarely for supervision as Mr. Teter has done. It will help the good work along. Every one knows where the clearing house banks stand, and it is coming near the time when the clearing houses of the state should

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

declare their position. The Chicago clearing house, pioneer in clearing house supervision, as a matter of course, is for state supervision, and gracefully might say so.

BANKING REFORM IN IOWA

A circular letter has been sent out to all bankers in the state of Iowa by President J. H. Ingwersen of the Peoples Trust and Savings Bank at Clinton. Mr. Ingwersen advocates a state of preparedness to which the Iowa banking interests have been a stranger in times past, much to their own disadvantage. Banking bills which have been introduced into the legislature when the session was half over have been tossed about between committees and between the two branches of the legislature without having reached a passage. Mr. Ingwersen proposes that the bankers consult together and agree upon certain reforms and changes in the banking laws so that the necessary committees can be organized, bills formulated and put upon passage early in the session. Among other things it is thought that quite likely Iowa is in no better condition than were Michigan and several other states with regard to the depositing of securities to enable them to qualify as depositaries for postal savings bank accounts. Michigan has just had a law passed and signed by the governor conferring that power upon Michigan state banks. At the present time Iowa (and other states in the same condition) is discriminating against its own banks and giving the national institutions the preference.

Iowa also has a savings bank law restricting savings bank mortgage loans in that state to Iowa real estate. This privilege, Mr. Ingwersen believes, should be enlarged to cover at least the bordering states. He points out the fact that the state line does not make the mortgage any better, and that many non-residents deposit their funds in Iowa banks, whereas if they were expecting to borrow from Iowa banks they would be prevented if their real estate security were located in an adjoining state. It is quite likely that the bankers of the state can agree quite easily on the two questions raised by the Clinton banker, who, in his letter, requests them to suggest other subjects upon which bills might be prepared and presented early in the session.

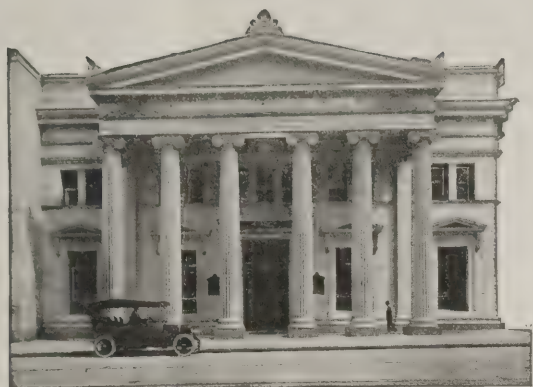
He advises that bankers all over the state interview their senators and representatives touching the deposit and loan restrictions of Iowa banks with a view of making the passage of a bill, when prepared, a matter of only a few weeks. Mr. Ingwersen has not suggested it, but it doubtless will appear to the bankers of Iowa, when they have looked into the situation, that to pass a state supervision bill would be a good thing for the state and its people, as well as for the bankers. It was only last week that the papers told of an Iowa bank run by a man by the name of Swan, who "took wings and flew away," to some distant territory, leaving his depositors under the impression that he had "gone to Chicago to arrange with his correspondent there for an overdraft." The mere thought of extending an overdraft for the purpose of carrying over a wabbling private bank in an adjoining state would give the average Chicago clearing house banker a bad attack of fever and ague. In fact, there is not anything quite so unpopular in Chicago banking circles to-day as an overdraft. Texas has legislated against them, and this is another subject which might well be called to the attention of the Iowa bankers.

BANKING REFORM FOR ALABAMA

John V. Farwell of Chicago, head of the National Citizens League, has sent his congratulations to the members of the democratic state convention of Alabama for putting a banking reform plank in the state platform. Mr. Farwell says this will be gratifying to business men throughout the country who have been urging the necessity of a business-like reform of our antiquated banking and currency laws. The plank which the Alabama democrats inserted strictly is non-partisan and calls for a banking system which will serve the honest farming, working and business classes of the country as well as the bankers, financiers and corporations. The Alabama plank would create an elastic banking system which would preserve the independent banks from any domination of financial or political control. Mr. Farwell is hopeful that other state conventions will take the matter up in a non-partisan way so that an expression of the views of the whole country can be had before the next meeting of congress.

DETROIT CONVENTION HOTEL COMMITTEE

LeRoy M. Gibbs, general secretary of the committee having charge of the American Bankers Association convention at Detroit, has opened offices at 218 Union Trust Building. Mr. Gibbs and his associates are ready to answer any inquiries regarding the Detroit convention, and will pay particular attention to those not having secured satisfactory room reservations.



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You have asked me to address you upon a subject which, next to the reform of our banking and currency system, is the most vital subject affecting the business interests of the entire country, and that is—the reform of the legal status of bills of lading, and the methods surrounding the issues and taking up of these documents.

The reform of the legal situation is before the legislature of your state and the legislatures of the other states, and also before congress in the form of legislation proposed as the result of years of thoughtful study, while the reform of the methods of issue and cancellation of the documents is now the subject of much thought and study by interested parties.

The bill of lading is the document given by the carrier to the shipper for every shipment, and is a combination of receipt and contract for safe delivery of the shipment at destination.

This document, therefore, is the one and only instrument representing the value of the entire commerce of the country, during the period of transportation, that can be used to finance shipments to destination, and it needs no argument that it is of the gravest importance that the liabilities and obligations of all the parties interested in so important an instrument should be clearly and definitely defined, and that around its issue and cancellation there be thrown every reasonable and proper protection.

The Seven Million Dollar Lesson

The bill of lading frauds of Knight, Yancey & Co., in the cotton trade, amounting to over \$7,000,000; of Durant, Elmore & Co., in the grain trade, amounting to \$1,200,000; of Emerson, Marlow & Co., in the butter trade, amounting to many thousands of dollars, with many similar frauds in the last two or three years, have so clearly demonstrated the weakness of the bill of lading as an instrument of value that there has been threatened, and only narrowly averted, a complete disarrangement of our financial methods of handling the great staple crops of the country; and there does not exist in any quarter—even with the railroads themselves—any doubt of the absolute necessity of strengthening the document in order to avoid a very serious situation, which under present conditions, is likely to break out at any time. The development of the bill of lading into its present position of being the most important instrument directly

The ex-president of the American Bankers Association spreads the new gospel of Bill-of-Lading Reforms at the Covington Convention

connected with the movement of the country's commerce, is an interesting study. Many years ago products were converted into cash only after arrival and sale of shipments at destination, when the proceeds were transmitted direct to producer; all, of course, necessitating delays until funds could be made available at the originating point. With growth and development of quick communication, permitting more accurate knowledge of conditions, shipping became specialized, and to fill a demand for a method to speedily convert the harvests into cash, the bill of lading came into use as an instrument of value—reliance being placed upon the clause in the bill of lading wherein the carrier agreed not to make delivery of the shipment without the surrender of the document. Relying upon this clause, shippers' drafts with bills of lading attached not only began to be cashed by the local banks, but by the merchants both here and abroad, long before the arrival of the goods.

Much Depends on Bill of Lading

This custom has grown to an enormous extent, so that upon the validity of the bill of lading the entire country to-day depends for the free movement and financing of our great crops to both domestic and foreign markets. Until a few years ago but little attention was paid by shippers and those advancing moneys upon the document to the legal situations surrounding its use—while, on the other hand, as quickly as changing conditions came to the attention of the carriers, the ingenuity of their legal departments was exercised to insert provisions in the bill of lading which would limit their liability.

The business community, however, has now awakened to the uncertainty and chaos existing upon this most important instrument, as it has been found that sporadic legislation enacted in one state has been at variance with legislation in neighboring states, and legal decisions by the courts in one state have been directly opposed to decisions upon the same facts in other states, and, most harmful of all, has been the decision of the supreme court of the United States in the Friedlaender case in 1888 (130 U. S. 416), holding the carrier harmless for the acts of its agent in signing and issuing a bill of lading without receipt of the goods, on the theory that the agent by so doing exceeded his authority.

While this decision was not followed in all the states, it has been done in some, and, of course, is the law in all the federal courts, causing more evil to the commerce of the country than any other legal decision of which I have any knowledge.

Under its cloak, competing agents have been free to sign and deliver bills of lading to favorite shippers before receipt of goods, in order that the document might be used to secure money advances long before the goods were actually in the car. In the Durant-Elmore case the testimony in the trial revealed that it was the custom of the freight agent to often sign up and leave an entire pad of blank bills of lading with that firm. In the Knight-Yancey case the testimony of one of the partners further showed that authority was even given to that firm to sign the agent's name to bills of lading. Durant, Elmore & Co., on domestic shipments of grain, and Knight, Yancey & Co. on foreign shipments of cotton, by the use of fictitious bills of lading, were each able to keep an enormous business alive—in the former case through maintaining va-



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Deposits—Whitney-Central National Bank	-	\$19,675,289.09
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Total Deposits		\$23,542,024.78

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rious bank accounts, they would take up drafts in one place by drawing on another place, and in the latter case by using the proceeds of one set of time drafts to create real shipments which it was possible to deliver abroad prior to the maturity of a previous set of drafts. In the Emerson, Marlow and other cases, the evidence also revealed that the railroad agents for years had been in the habit of signing bills of lading prior to the receipt of the goods.

Proposed Corrective Legislation

The legislation proposed, therefore, is to correct this and other evils, and is necessary in order to restore confidence in bills of lading as a medium to secure advances of moneys to finance the crops of the country, by placing definitely upon the railroad companies the responsibility for the acts of their agents in issuing bills of lading before receipt of goods, and also in delivering up shipments without canceling these documents. The bill before the legislatures has been carefully drafted by the commissioners on uniform state laws after many years of study and conference with interested parties, and is designed not only to be adopted in those states where no bill of lading legislation at present exists, but also to supersede present and more or less incomplete laws which may exist in other states, so that one complete and uniform law may be secured throughout all the states.

The measure proposed is in effect a complete code of the law of bills of lading, regulating all phases of the subject and providing a uniform rule governing many matters connected with the handling of bills of lading which have heretofore been a subject of conflicting decision, or, as to which the law is uncertain.

This measure has already been enacted in nine important states, and has the support of the greatest aggregation of business ever before asking for a plain business man's law at the hands of our legislative bodies. It bears the specific endorsement of practically every chamber of commerce and similar organizations in the country, as well as of the American Bankers Association, and the banking associations of every state, and its enactment is earnestly desired by the important interests handling our exports in the principal countries abroad.

The importance of legislative action has also been recognized by President Taft, who, in his annual message to congress one year ago,

strongly urged that body to pass a law, which would hold the carriers responsible for their bills of lading.

Railroads Only Opponents

The opposition comes from but one source—the railroads—who are loath to accept the clear-cut responsibility provided in the legislation proposed, and who show an amazing lack of appreciation of the importance of so vital a matter, the proper settlement of which will surely be to their eventual benefit. It is conservatively estimated that in the last three years over \$10,000,000 has been lost through advances on bills of lading, simply because the railroads will not co-operate to protect the merchants and banks, who, both in this country and abroad, furnish the money to create the shipments out of which they profit. It is but four years since the recommendations for a uniform bill of lading—uniform as to provisions, size and color—were reported by a joint committee of railroad men and shippers to the interstate commerce commission, which instigated the appointment of that committee. These recommendations were approved by the interstate commerce commission, and by that body recommended for adoption by all the railroads throughout the country, and it was thought that at last we had secured a uniform bill of lading. Unfortunately, at that time the commission lacked the authority to order the railroads to adopt the uniform bill of lading, and what is the result?

Takes Southern Roads to Task

I hold in my hands forms of bills of lading now used by the Louisville & Nashville, Seaboard Air Line, Southern Railway, Atlantic Coast Line, and Norfolk & Southern Railroad, none of which agree with the uniform bill of lading recommended by the Interstate Commerce Commission.

Three years hard work on the part of a thoroughly competent committee of high-minded shippers and railroad men, and the members of the Interstate Commerce Commission, has been absolutely thrown away so far as these

southern roads are concerned. Does this indicate that the railroads are co-operating to help the merchants and banks who furnish the funds which create the shipments out of which the railroads pay dividends? Every attempt to secure legislation from congress which would correct the evils of the Friedlaender decision of the supreme court, referred to previously, and protect persons advancing value on bills of lading, has been bitterly opposed by the railroads.

Every attempt to secure the enactment of the uniform bill of lading act in the different states has been opposed by the railroads whose agents continue to issue bills of lading prior to the receipt of the goods.

Now it will naturally be asked why the railroad employs as agent a man who will issue a bill of lading before receipt of the goods;—does he do it because he is careless and unfit, or criminal, or simply acting in disobedience of orders, or is it because his superiors, knowing of such practices, wilfully permit them in order to secure freight for their own road, in competition with other roads, by offering these inducements—particularly since other forms of rebating are no longer in profitable use.

The answer is clear when, after exposure, the agents, instead of being discharged or prosecuted, are still found in the employ of the same railroad at the same or a better salary.

It is folly for the railroads to claim they cannot control their agents' acts, and, therefore, should not be bound when no goods are received against bills of lading duly signed and issued by their agents. If you or I wished to stop such a practice I reckon we would find a way of doing so, or there would be plenty of agents looking for other jobs.

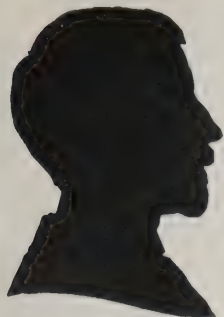
It is also ridiculous for the railroads to claim they are unable to protect themselves against loss through connivance of their agents with a shipper, if this responsibility is clearly thrown upon them. In the first place, this responsibility now, and for some time, has clearly prevailed in a few states, and the railroads there still exist and pay dividends. In the second place, it is to give protection that bonding companies exist, and, when it is possible for a small pittance to obtain a blanket bond covering all employees, one loses patience with such arguments.

Now, as to forgeries of bills of lading. A few years ago, when some of us first became

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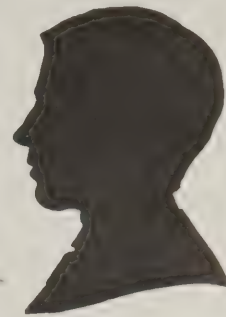
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interested in this subject, we were led to believe that the bulk of the losses incurred through advances on bills of lading were caused by forgeries; but a study into the practices of the railroads has inclined to the belief that many of the so-called forgeries were executed by the authority, and with the consent of the railroads; but forgeries, however, do exist, and thrive upon the almost criminally careless methods of the railroads in issuing order bills of lading.

Opponents Beginning to See Light

I am one of those, however, who believe that railroad officials are beginning to see a light which reveals that the greatest amount of freight and profit can only come to them by making the bill of lading a thoroughly reliable document to all parties, and thereby encourage rather than hinder shipments.

The practical, higher railroad officials, who hitherto have left the bill of lading matter entirely in the hands of their legal talent, are now taking a serious interest in this important subject, and I am confident that further study on their part will convince them that they can best secure their own interests and the interests of the great business community which they serve by co-operating to secure early correction of the evils at present existing in bills of lading, so that both themselves and the public may have confidence that a bill of lading is clearly what it purports to be, namely: First, a receipt for goods; Second, a contract to carry the goods to destination; Third, an agreement to deliver the goods upon the surrender of the bill of lading properly endorsed.

The practical railroad men now studying this subject have, so far, co-operated to the extent of installing a central checking bureau on export cotton bills of lading at the instigation of the Liverpool cotton conference, and whatever else may be said regarding this bureau, it appears to me to be a fortunate illustration of the ease by which the railroads can quickly check up and protect themselves, and all others concerned with the issue of order bills of lading, whether they be for foreign or domestic shipments of cotton or any other commodity, and whether the bills be forged or issued without receipt of the goods.

This experiment, ingeniously developed out of a very serious situation with our friends abroad, appears to demonstrate that it is possible for the railroads to use similar methods not only on all other export commodities, but upon domestic shipments as well.

Central Checking Bureau a Success

No doubt we will be told that this is not possible on other export and domestic shipments; that it will entail increased clerical expense; that it is hard to secure reliable men, etc., etc.; but, on the other hand, I am informed that already it has been found that the present bureau is probably saving the railroads many thousands of dollars through its ability to quickly detect and correct errors which otherwise at destination would surely have caused annoyance, loss of time, and often the costly

adjustment of claims now avoided by the adoption of a modern business system.

The careless methods employed in the issue of bills of lading cause losses in one way or another to the railroads as well as the shippers, the receivers and the bankers, and, if careful study be given by the railroads to the cost of their legal departments, to the expensive adjustment of errors, and to the extra clerks necessarily maintained at terminals to investigate complaints by consignees and correct errors made at originating points, I believe it would be found that the increased efficiency which central order bill of lading checking bureaus would make possible would result not in an increased expense, but in a decided saving of money to the railroads. Now what we all want is results—not talk—but results upon the main issue. How, therefore, can they be quickly obtained?

It seems to me simple.

First, secure prompt passage in all the states of the bill of lading act of the commissioners on uniform state laws, and the enactment by congress of legislation, which will hold the carrier for bills of lading signed by their agents, whether with or without receipt of the goods.

Second, as congress two years ago increased the powers of the interstate commerce commission, whose authority is now ample to govern the railroads upon the methods of issuing bills of lading, I would suggest that the Interstate Commerce Commission be vigorously petitioned to order—not recommend or request—but order and require all railroads to issue order bills of lading:

1. On a uniform blank with proper uniform provisions.
2. Filled out in ink or indelible pencil.

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3. Signed in ink with stamp of issuing office near signature.

4. To establish central checking offices, and there use the methods now in use by the central bureau, with improvements thereon, to check promptly the issue of all export and domestic order bills of lading.

5. To require the proper taking up and canceling of bills of lading upon surrender of goods.

6. To establish any other practices which will safeguard the issue of bills of lading.

The Chance in Louisiana

Your legislature meets next month, and, properly presented and urged by your body and the commercial organizations of your state, there is no good reason why the uniform bill of lading act should not be adopted.

In congress the senate committee on interstate and foreign commerce has held three hearings on the Stevens-Clapp bill, and a favorable report and adoption in that body are confidently expected.

The house of representatives, upon the favorable report if its committee on interstate and foreign commerce last session, passed the Stevens bill, but as this is a new session, it will be necessary to again pass the measure.

The chairman of the house committee this year is a democrat from Georgia—his state is intensely interested in securing this legislation; the leader of the house is an able democrat from Alabama, whose state has already adopted similar legislation; and the speaker of the house is known throughout the land for the breadth of his views, and his state—Missouri—is also vitally interested.

The fate of the congressional legislation, then, largely rests upon the shoulders of three southern representatives. It is, therefore, clear that it is the duty of every southern business man to indicate in an emphatic manner their interest in the prompt passage of the Stevens-Clapp bill, and your association and the banking associations of other states can do no better work at this moment than to vigorously urge the enactment of this legislation.

NEW BANK AT NORMAL

The auditor of public accounts at Springfield has issued a permit to J. F. Shepard, S. S. Boulton and Dorothea M. Glessing for the organization of the Normal State Bank to be located at Normal, McLean County. The new institution is to have a capital of \$50,000.

TRUST COMPANY MERGER

Frankfort, Ky., April 24.—The papers showing the consolidation of the Fidelity Trust Company and the Columbia Trust Company, of Louisville, were filed with Secretary of State Crecelius to-day. The capital stock of the company is \$2,000,000. The company will continue to do business in Louisville.

J. O. Michell has been elected cashier of the Consolidated Bank at Elsmore, Cal.

NATIONAL BANK OF COMMERCE

KANSAS CITY, MO.

ESTABLISHED 1865

Capital, \$2,000,000

Surplus, \$500,000

GEO. D. FORD, Vice-President
J. J. HEIM, Vice-President
WALTER S. DICKEY, Vice-President

J. W. PERRY, President
W. L. BUECHLE, Vice-President
CHAS. H. MOORE, Vice-President
JAS. T. BRADLEY, Cashier

CHAS. M. VINING, Assistant Cashier
W. H. GLASKIN, Assistant Cashier
JAS. F. MEADE, Assistant Cashier

Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

The Kansas State Bankers Association brought its annual meeting at Wichita to a close April 18th, after a two days' session of unusual interest. The following officers were elected: President, E. S. Chenoweth, Bank of McCracken; vice-president, William McFerran, State Savings Bank, Topeka; second vice-president, J. E. Wagner; secretary, W. E. Wilson, Farmers State Bank, Washington; treasurer, F. G. Bergen, State Bank, Summerfield. The following district vice-presidents were chosen: First district, T. M. Wilson, Soldier, and Otto H. Wulfekuler, Leavenworth; second district, T. J. Sweeney, Lawrence, and J. H. Campbell, Iola; third district, M. A. Householder, Columbus, and C. A. Truesdell, Burden; fourth district, Will Wayman, Emporia, A. R. Wallace, White City; fifth district, Harry O'Brien, Clifton, and P. E. Laughlin, Marysville; sixth district, W. D. Gleason, Norton, and W. A. Matson, Jewell City; seventh district, D. F. Callhan, Kingman, and C. M. Branch, Hutchinson; eighth district, George W. Robinson, Wichita, and J. D. Joseph, Whitewater. Among the visitors present at the meeting were J. N. Dolley, state bank commissioner, Topeka; J. A. Greenfield, St. Joseph, Mo.; Charles H. Moore, Kansas City; W. L. Taylor, Springfield, Mo.; Keith McCause, Springfield, Mo.; Jerome Thrall, manager of the clearing house association of Kansas City; S. C. Cook, St. Joseph, Mo.; R. S. Britton, St. Joseph, Mo.; J. C. English, Kansas City; C. W. Allendoerfer, Kansas City; G. B. Smith, Chicago; G. M. Hellings, Kansas City. The convention declared in its resolutions that Kansas should use exclusively state banks as depositories; that the inheritance tax of Kansas is unjust and should be repealed; indorsed the "blue sky" law of Kansas, and opposed any national legislation on banking that does not include state banks. One of the delightful features of the meeting was the reception tendered by the wives of Wichita bankers to the visiting ladies. This reception was given at the home of Mrs. C. W. Carey on College Hill.

C. C. Scoville at Wichita

C. C. Scoville, of Seneca, Kan., conducted a unique department at the recent convention of the Kansas State Bankers Association in Wichita. Mr. Scoville is acknowledged the best authority on banking laws in the Sunflower state, and during a session of the Wichita meeting he took the floor and volunteered to answer all questions involving legal questions affecting bankers that might be asked him. For two solid hours Mr. Scoville stood at his work with a ready answer to every question, and lawyers who were present tes-

tified to the wonderful quickness and accuracy of his replies. He had an answer for every question, and not a man took issue with him. It was a remarkable feat, and, as several bankers said after the performance, was one of the very best features of the convention.

Kansas Program

William J. Burns, head of the Burns National Detective Agency, will be one of the principal speakers at the twenty-fifth convention of the Kansas Bankers Association to be held in Topeka, May 23d-24th. Detective Burns will talk about "Modern Protection for Banks." Many other speakers of distinction will have places on the program. Warden Coddington of the Kansas state penitentiary at Leavenworth, will talk about the bank robber, "After Taking," as a logical sequence to Mr. Burns' address. Bank Commissioner Dolley will discuss the regulations of the banking department. Prof. J. Laurence Laughlin, of the University of Chicago, an authority on banking economics, will give an address on "Monetary Reform." Prof. Laughlin will also conduct a study class during the convention. Other speakers who have been secured are William Livingstone of Detroit, president of the American Bankers Association; George W. Martin, secretary of the Kansas Historical Society; Judge C. E. Lobdell of Great Bend, Kan.; former Governor W. J. Bailey of Atchison, Kan.; W. E. Higgins of the law department of the Kansas State University, and B. F. Harris, president of the Illinois Bankers Association. The sessions will be held in representative hall of the state house. The building and loan section will meet in the supreme court room of the capitol. T. B. Brown is the president, and W. H. Eastman is secretary of this division. The women who will accompany their husbands will have one session with women speakers. This meeting will be presided over by Mrs. M. M. Malott, of Abilene. More than one thousand bankers and their wives are expected to attend this convention. Following are the officers: President, J. R. Lindburg, Pittsburg; vice-president, M. M. Malott, Abilene; secretary, W. W. Bowman, Topeka; treasurer, E. E. Mullaney, Hill City, and the following group vice-presidents: Group 1, A. D. Kendall, Valley Falls; Group 2, J. T. Pringle, Burlingame; Group 3, J. C. Broadley, Wier City; Group 4, W. A. Matson, Jewell City; Group 5, A. G. English, Macksville; Group 6, N. A. Lytle, Coldwater.

Meeting of Group 2, Nebraska

It has been the established custom of Group 2, Nebraska State Bankers Association, to

meet on Arbor Day of each year. Accordingly on last Monday about fifty bankers and their friends gathered at Fremont, Neb., for an all-day session with a banquet and social hour in the evening. The morning session was opened by an address of welcome by Mayor George T. Wolz. The response was made by E. E. Lyle of Wahoo, president of the association. Among the addresses were the following: "The National Reserve Association," by L. B. Howey of Lincoln; "Why We Should Support the Association," by W. B. Hughes, secretary of the state bankers association; "The Legal Status of Married Women in Nebraska," by Ed Martin of Omaha, attorney for the Nebraska Bankers Association. President Lyle was toastmaster in the evening, and the following made speeches: F. H. Claridge of Blair, F. M. Wetzel of Albion, and Arthur D. Welton of St. Louis.

Oklahoma Convention Program

Practically all preparations have been completed for the entertainment of the sixteenth annual convention of the Oklahoma Bankers Association in Tulsa, May 10th-11th. A glance at the extensive program indicates that there is not going to be a dull moment for the bankers and their wives on this occasion. The meeting of the bankers will inaugurate the magnificent new Tulsa hotel, which is now nearing completion, and will be headquarters, while the business sessions will be held in the Grand Opera House and the Garden Theater. President T. J. Hartman will call the meeting to order, and the address of welcome will be delivered by E. M. Williams of Tulsa. Response will be given by B. M. Parmenter of the First National Bank of Lawton. The regular reports will be given by President Hartman of Sulphur, Treasurer I. H. Nakdimen, Secretary W. B. Harrison, and group officials. Robert W. Bonyng, representing the National Citizens League for the "Promotion of Sound Banking," will address the convention on "The Plan for Monetary Reform." A general discussion of the subject will follow. "The Agricultural Movement and the Banker," will be the title of an address by J. L. Johnson, cashier of the National Reserve Bank of Kansas City. James Chenoweth, vice-president of the American National Bank of Oklahoma City, will discuss "Credits." The state bankers section will have an interesting program. "The Value of a Trade Day" will be the subject of an address by L. K. Meek, cashier of the Oklahoma State Bank, Mulhall. J. D. Lankford, state bank commissioner of Oklahoma, will talk of banking conditions in his department. O. J. Fleming, president of the Bank of Enid, will tell of "Early Bank-

R. T. FORBES - President
J. E. COMBS - Cashier
R. S. BRITTAIN, Asst. Cashier
R. N. RIDGE - Auditor

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SURPLUS 300,000
ASSETS 6,500,000
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 offer you exceptional facilities.
 Correspondence invited

ing in the Cherokee Strip," and J. N. Dolley, state bank commissioner of Kansas, will talk of the "Blue Sky" law.

Death of Prominent Texas Banker

In all the Southwest there was probably no better known banker than Captain M. B. Loyd, of Fort Worth, Texas. Not only was Captain Loyd a pioneer financier of the Lone Star state, but he was one of its wealthiest citizens and enterprising business men. His acquaintance was extensive, and his banking connections many. At the time of his death a week ago, Captain Loyd was president of the First National Bank of Fort Worth, a position, which he had held continuously since he organized that institution in 1876. Besides his heavy interests in that institution Captain Loyd was an important stockholder in the First National Bank of Wellington, the First National Bank of Memphis, City National of Childress, National Bank of Comanche, First National Bank of Benjamin, and First State Bank of Stamford. He was also on the directory of most of these institutions. Captain Loyd was born in Mercer county, Ky., December 7, 1834. While still a very young man, Captain Loyd went to the western frontier of Texas, where he engaged in the cattle business. Shortly after his settling in Texas, the Indian outbreaks began, and the young man became captain in the Texas rangers, and did his part in protecting the cattlemen of the frontier. After he had made considerable money Captain Loyd went to Fort Worth, then a very small town, where he became associated with the private bank of Marklee & Nichols. It was in 1876 that he organized the First National Bank of Fort Worth, which now owns and has its home in the magnificent eleven-story building at Seventh and Houston streets. This is one of the soundest financial institutions in the Southwest.

Attempt to Defraud Bank

Postoffice inspectors in Kansas City have uncovered a bungling attempt to defraud the Missouri Savings Bank of Kansas City of \$2,500. A man using a fictitious name and claiming to be a real estate dealer and notary of Sedalia, Mo., wrote to the bank and desired to sell a mortgage on a fictitious farm. The bank sent a draft to the Sedalia National Bank with instructions to turn it over as soon as there was proper identification and proof of ownership. Circumstances aroused the suspicion of the Kansas City bank, and the matter was turned over to the postoffice department. The result was the arrest of Oscar Clayton, a grocery clerk of Clinton, Mo., who is charged with having guilty knowledge of the attempted fraud. Clayton was released on bail, and the authorities are trying to find the principal in the affair.

Central West Notes

Announcement has been made of the election in New York of E. Quincy Smith, one of the directors of the United States and Mexican Trust Company of Kansas City, to the position of the first vice-president of that institution. To accept his new position Mr. Smith, who is widely known in eastern banking circles, was obliged to resign the presidency of the Union Savings Bank of Washington, D. C. Previous to Mr. Smith's election there has been no first vice-president of the United States and Mexican Trust Com-

pany. The new first vice-president will have offices in New York City.

The State Bank of Llano, Tex., has discontinued business. The deposits were transferred to the Llano National Bank, which will wind up the state bank's affairs.

The North Loup State Bank recently organized in St. Paul, Neb., opened for business last week. The capital stock is \$20,000.

Application has been made for a receiver to take charge of the Penny Savings Bank of Dallas, Texas, an institution conducted by negroes. The petition states that the bank was organized June 21, 1909, issuing 2,800 shares of the par value of \$5 each, with stockholders residing in Texas, Oklahoma, Louisi-

ana and Arkansas. The bank owes its depositors \$15,000, and is virtually without cash resources.

Bankers of St. Joseph, Mo., are planning to attend the state convention of the Missouri Bankers Association at Joplin, May 21st and 22d in a special train. The clearing house association is sending out invitations to bankers in northwest Missouri to attend the convention in the St. Joseph train.

The Guaranty State Bank of Fairfield, Free-stone county, Texas, was robbed April 19th by burglars, who blew open the safe and secured \$3,000. No trace of the robbers has been found.

Mrs. August Jaedick, wife of the president of the Hanover State Bank, Hanover, Kan., died last week, after a long illness. Mr. and Mrs. Jaedick were pioneers in southern Kansas.

San Jacinto Day, falling on Sunday this year, was observed by the people of Texas, Monday, April 22d. This is one of the principal holidays observed in Texas and practically all the banks were closed in honor of the day.

Sixteen of the prominent live stock commission merchants and representatives of the South Omaha stock yards, have just returned from a two weeks' trip in attendance at the cattle and sheep growers' conventions at Rapid City, Sheridan and Miles City, making the circuit through western Nebraska, Wyoming, South Dakota, Montana, North Dakota and Minnesota.

The Hebron State Bank of Hebron, Neb., recently organized has opened for business with a capital of \$10,000. The incorporators are D. B. Allen, W. C. Furneaux, R. M. Everett and others.

A charter has been issued for the Guaranty State Bank of Blum, Hill county, Texas, with a capital stock of \$30,000. The incorporators are J. A. Taylor, Adam Davis, T. B. Wright and others.

The Texas banking department has authorized the following bank reserve agents: For the First State Bank of Hale Center, the Temple State Bank of Temple; for the First Guaranty State Bank of Plano, the Coal and Iron National Bank of New York City; for the First State Bank of Flowerton, the National Bank of Commerce, and the Lockwood National Bank of San Antonio, and the Commercial National Bank of Kansas City; for the First Guaranty State Bank of Overton, the Union National Bank of Houston; for the First State Bank and Trust Company of Santa Ana, the First National Bank of Chicago; for the Bay City Bank and Trust Company, Bay City, the Stockyards National Bank, Fort Worth.

Macon, Ga.—The Peoples Bank and Trust Company has completed its organization. Lee M. Happ is president; C. E. Newton, vice-president, and William C. Miller, cashier. The directors are: J. F. Heard, C. E. Newton, C. B. Moore, A. T. Collins, Cooper D. Winn, Jr., Lee M. Happ, William D. Miller, Robert A. Nisbet, Edgar S. Wilson, Jr., E. M. Adams, J. H. Bailey, F. W. Williams, and John J. McCay.

Convention Dates

NEW JERSEY—Atlantic City, May 3 and 4; Secretary, W. J. Field, Jersey City.
TEXAS—San Antonio, May 7, 8 and 9; Secretary, J. W. Hoopes, Austin.
OKLAHOMA—Tulsa, May 10 and 11; Secretary, W. B. Harrison, Enid.
ALABAMA—Mobile, May 17 and 18; Secretary, McLane Tilton, Jr., Pell City.
MISSOURI—Joplin, May 21 and 22; Secretary, W. F. Keyser, Sedalia.
MISSISSIPPI—Gulfport, May 21, 22 and 23; Secretary, R. Griffith, Vicksburg.
KANSAS—Topeka, May 23 and 24; Secretary, W. W. Bowman, Topeka.
CALIFORNIA—Long Beach, May 23, 24 and 25; Secretary, F. H. Colburn, San Francisco.
GEORGIA—Atlantic Beach, Fla., May 24 and 25; Secretary, L. P. Hillyer, Macon.
ARKANSAS—Little Rock, May 28 and 29; Secretary, Robert E. Wait, Little Rock.
TENNESSEE—Knoxville, May 29 and 30; Secretary, F. M. Mayfield, Nashville.
IOWA—Cedar Rapids, June 5 and 6; Secretary, P. W. Hall, Des Moines.
MICHIGAN—Kalamazoo, June 11, 12 and 13; Secretary, (Mrs.) H. M. Brown, Detroit.
NEW YORK—Buffalo, June 13 and 14; Secretary, William J. Henry, New York City.
MINNESOTA—State Agricultural College, St. Paul, June 14 and 15; Secretary Charles R. Frost, Minneapolis.
IDAHO—Coeur d'Alene, June 17, 18 and 19; Secretary, J. W. Robinson, Boise.
PENNSYLVANIA—Bedford Springs, June 18 and 19; Secretary, D. S. Kloss, Tyrone.
NORTH DAKOTA—Jamestown, June 19 and 20; Secretary, W. C. Macfadden, Fargo.
VIRGINIA—Old Point Comfort, June 20, 21 and 22; Secretary, Walker Scott, Farmville.
MARYLAND—Blue Mountain, June 20, 21 and 22; Secretary, Charles Hann, Baltimore.
OREGON—Portland, June 21 and 22; Secretary, J. L. Hartman, Portland.
SOUTH DAKOTA—Belle Fourche, June 26 and 27; Secretary, J. E. Platt, Clark.
NORTH CAROLINA—Morehead City, June 26, 27 and 28; Secretary, Wm. A. Hunt, Henderson.
WASHINGTON—Tacoma-Olympia, June 27, 28 and 29; Secretary, P. C. Kaufman, Tacoma.
OHIO—Cedar Point, July 2 and 3; Secretary, S. B. Rankin, Charleston.
SOUTH CAROLINA—Charleston, July 5 and 6; Secretary, Lee G. Holleman, Anderson.
WEST VIRGINIA—White Sulphur Springs, July 11 and 12; Secretary, J. S. Hill, Charleston.
WISCONSIN—Milwaukee, July 24 and 25; Secretary, George D. Bartlett, Milwaukee.
American Institute of Banking—Salt Lake City, Utah, August 21, 22 and 23; Secretary, A. C. Dorris, Nashville, Tenn.
American Bankers Association—Detroit, week of September 9-14; Secretary, Fred E. Farnsworth, 11 Pine Street, New York City.
ILLINOIS—Peoria, September 25 and 26; Secretary, R. L. Crampton, Chicago.
ARIZONA—Tucson, October 18 and 19; Secretary, Morris Goldwater, Prescott.

TEN YEARS' PROGRESS

In the Surplus and Deposits of the

Security National Bank Of Minneapolis

Surplus and Profits

1902, \$ 160,000
1912, 2,100,000

Deposits

1902, \$8,000,000
1912, 20,000,000

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Two flags hang at half mast on the First National Bank of Minneapolis. W. D. Douglas, a director, sank with the Titanic after saying he would not be a man if he took a boat when there were women to be saved. The burial was decided upon for Cedar Rapids, Mr. Douglas' former home.

On Inspection Trip

Bankers accompanied A. J. Earling, president of the Chicago, Milwaukee and St. Paul road, to Minneapolis and beyond to the coast on an inspection trip last week. In the party were James Stillman, chairman National City Bank, and C. H. Sabin, vice-president Guaranty Trust, New York City; J. H. Prentice, Boston; J. A. Spoor, director First National, Chicago. A. J. Earling said: "The west looks better to us each year and the outlook is encouraging. The fact that these financial men are making the trip shows that conditions are bettering." The train was hauled into the milling yards and the men worth more than a billion dollars slept there amidst switching trains and the noise of the milling district. They will return for a stop in Minneapolis in two weeks.

Savings Accounts Large

Spring building and other expenditures have not depleted the savings bank accounts in Minneapolis. The deposits are close to \$27,000,000, the high point. Last October the new record was \$26,317,000. Since January 1st the deposits have risen and the twenty-one banks report gain. The Farmers Mechanics had on April 10th, \$13,971,097, \$312,000 more than in October. The Hennepin County Savings had a high record of \$5,609,325.

P. J. Leeman Honored at Interlachen Country Club

P. J. Leeman, assistant cashier of the First National, Minneapolis, has been elected treasurer of the Interlachen Country Club.

Would Dispose of Other Bonds

Beside selling the Virginia bonds which the state owns to invest the money in the state at a higher rate, Treasurer Walter J. Smith, a banker, would dispose of others. The sale of the bonds would bring about \$5,000,000 into the commonwealth borders for improvement work. Only a small portion of the bonds now draw more than 3 per cent. The list follows:

Delaware bonds, 3 per cent.....	\$ 4,000
Massachusetts gold bonds, 3½ per cent	2,595,000
Massachusetts gold bonds, 3 per cent	300,000
Virginia funding bonds, 3 per cent.....	1,635,000
Utah state bonds, 3½ per cent.....	100,000
Delaware bonds, 3 per cent.....	131,000
Massachusetts gold bonds, 3 per cent	130,000
Virginia funding bonds, 3 per cent.....	355,000
Virginia funding bonds, 3 per cent.....	55,000
Virginia funding bonds, 3 per cent.....	100,000

Total\$5,405,000

Death of A. K. Tweto

A. K. Tweto, president of the First National, Abercrombie, N. D., died suddenly, April 15th. He was fifty-three years old. Colonel T. W. Folsom, Taylors Falls, Minn., who settled in Minnesota in 1852 and was one of the first bankers, is dead at Hinckley.

St. Paul Bank Clerks Hold Annual Meeting

At the annual meeting of the St. Paul bank clerks O. M. Nelson of the First National and M. R. Knauff of the National-German American made talks. One hundred members enjoyed the social session. Officers elected are: President, Carl S. Deither, Capital National; vice-president, E. O. Nordstrom, Merchants National, re-elected; secretary, George C. Power, Jr., Second National; treasurer, Lawrence Drew, American National; members executive committee, Carl Lewerenz, National

German-American, for three years, and F. M. Fogg, First National, one year; delegates to the national convention to be held at Salt Lake City in August, H. R. Fairchild, Merchants National; F. M. Fogg, First National; George C. Power, Jr., Second National; Ernest Bjorklund, American National; J. A. Holmen, State Savings; C. E. Gall, First National.

Wisconsin Bank will Move into New Quarters

The State Bank of La Crosse, Wis., is preparing to move into new quarters in the McMillan building, Fourth and Main streets, about June 1st. Contracts have been let to carry out the plans drawn for rearrangement of the building for banking purposes. Modern equipment will be installed.

New Michigan Bank

The Peoples State of Bessemer, Mich., is expected to open May 1st. The bank is controlled by Bessemer men. Jacob Goldman is president and N. Hagesman is cashier. The vice-president is Edwin Bayless.

Pledge Support to "Better Farming" Movement

Bankers of northwestern North Dakota at the close of their annual meeting April 18th at Minot pledged their support to the North Dakota Better Farming Association. Following are the officers elected: President, Ed. S. Healy, Glenburn; vice-president, Hans C. Miller, Ryder; secretary, W. Porter, Minot; treasurer, Oscar Perum, Carpio; executive council, E. C. Krueger, Bowbells; H. T. Sands, Norman; Walter Nelson, Coulee; D. R. Robinson, Garrison; E. S. Person, Minot, and A. E. Severid, Velva.

Taking Chauffeurs' Examinations

Bankers in the vicinity of Heron Lake, Minn., are taking chauffeurs' examinations from the state examining board. At Luverne,

WILLIAM J. BURNS, President. Formerly U. S. Secret Service. Late San Francisco, Cal., Graft Prosecution

RAYMOND J. BURNS, Secretary and Treasurer

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San FranciscoKansas City
PittsburgMinneapolis
CincinnatiPortland
SeattlePhiladelphia
Los AngelesNew Orleans
St. LouisDenver
Oklahoma CityBoston
Detroit

where there are fifty-two applicants for licenses, and at Heron Lake, where there were seventy-eight, the board reports 50 per cent are owners of cars, some lawyers, doctors and business men as well as bankers.

E. W. Decker Back

E. W. Decker, president of the Northwestern National, has returned from Hamilton, Bermuda, after a short stay.

Endorse Aldrich Plan

The Minneapolis Credit Men's Association has endorsed the Aldrich currency plan. Notice will be forwarded to the national association. A committee was appointed to investigate the parcels post measure.

CENTRAL TRUST COMPANY ELECTS NEW ASSISTANT CASHIER

Norton F. Stone, who formerly filled the position of assistant cashier with the Prairie State until that institution was taken over by the Central Trust, recently, has been elected to the same position with the latter institution.

DEFENSE OF BANKER MCCARTHY

P. F. McCarthy, former private banker, who has been on trial charged with embezzlement, in Judge McGoorty's court, has revealed his defense to the action commenced by Thomas White. White charges that McCarthy collected \$1,500 on an outstanding mortgage and failed to account for the same. Miss Mary K. Lyon, secretary to the defendant, testified on Thursday of this week that she had tendered an envelope containing \$1,500, and a mortgage to the complainant, who refused to receive it.

INTEREST RATE INCREASED ON U. S. DEPOSITS

Hereafter all banks having on deposit special funds of the United States will be compelled to pay the government 2 per cent interest instead of 1 per cent. A. Platt Andrew, assistant secretary of the treasury, has decided to double the rate in accordance with the authority reposed in the treasury department by congress.

NORTH DAKOTA BANK SENDS OUT ATTRACTIVE STATEMENT

A very good statement has been sent out by the Northern State Bank of Grand Forks, North Dakota. C. W. Ross, its cashier, formerly was connected with the old Commercial National of this city. The bank shows deposits in excess of \$800,000.

ARIZONA BANK CONSOLIDATION

Phoenix, Ariz.—A consolidation has been affected between the Ray State Bank and the Ray branch of Gila Valley Bank and Trust Company, at Ray. The state bank had a capital of \$10,000, and was under direction of Wm. Russell as cashier.

Billion Deposits

Deposits in the banks of Chicago have crossed the billion-dollar mark. The total reported by fifteen national and fifty-six state banks at the close of business April 18th, or the opening the next day, is \$1,005,594,575. This is \$15,000,000 in excess of the deposits in the local banks on the date of their last previous published statements—the opening of business February 21st. Both national and state deposit totals are larger, the gains among the state banks being fairly general. The state banks in the city increased their deposits by more than \$11,000,000, or about 2.18 per cent between the dates of the last two calls. Loans in all the banks in the city expanded \$30,400,000, or twice the amount of the deposit gain in the period. Total cash resources dropped off nearly \$20,000,000.

ST. LOUIS BRIDGE TRUST SMASHED IN COURT ORDER

A decision of the greatest importance to all railroad traffic and to all railroad companies crossing the Mississippi at St. Louis was handed down this week by the Supreme Court in a decree designed to break the monopoly of the St. Louis Railroad Terminal Association. It was given by Justice Lurton. In remanding the case to the United States Circuit Court at St. Louis, the Supreme Court directed the parties at interest to submit to the court, within ninety days after receipt of the mandate, a plan of reorganization which will embody the following conditions imposed by the supreme tribunal:

First—The admission of any existing or future railroad to joint ownership and control of the combined terminal properties on such just and reasonable terms as shall place such applying company on a plane of equality in respect of benefits and burdens with the present proprietary companies.

Second—Provision for the use of terminal facilities by any other railroad not electing to become a joint owner on such just and reasonable terms and regulations as will, in respect to use, character and cost of service, place every such company on as nearly an equal plane as may be with respect to expenses and charges as that occupied by the proprietary companies.

Third—The elimination from the present agreement between the terminal company and the proprietary companies of any provision which restricts any such company to the use of the facilities of the terminal company.

Fourth—Provision for the abolition of existing practices by billing to East St. Louis or other junction points and then rebilling traffic to St. Louis or to points beyond.

Fifth—The abolition of any special or so-called arbitrary charge for the use of the terminal facilities in respect of traffic originating within the so-called 100 miles area that is not equally and in like manner applied in respect of all other traffic of a like character originating outside of that area.

Sixth—A provision that any disagreement between any company applying to become a joint owner or user as herein provided for and the terminal or proprietary companies which shall arise after a final decree in this cause may be submitted to the district court on a petition filed in this case, subject to review by appeal in the usual manner.

Seventh—To avoid any possible misapprehension, the decree should also contain a provision so that nothing therein shall be taken to affect in anywise or at any time the power of the interstate commerce commission over the rates to be charged by the terminal company, or the mode of billing traffic on its lines or the establishing of joint through rates or routes over its lines, or any other power conferred by law on such commission.

Upon failure of the parties to come to an agreement which is in substantial accord with this opinion and decree, the court will, after hearing the parties on a plan for the dissolution of the combination among the terminal company, the Wiggins Ferry Company and the Merchants Bridge Company and the several terminal companies related to the ferry and the Merchants Bridge Company, "make such order and decree for the complete disjointment of the three systems and their future operation as independent systems as may be necessary."

ACCUSES FORMER BANKER

Thomas White took the witness stand in Judge John P. McGoorty's court this week, and accused P. F. McCarthy, former head of the banking and real estate concern at 3857 South State Street, of having embezzled \$1,500. White alleges that he had given McCarthy some notes to collect on a mortgage from Mrs. Robert C. Woods, 3727 Forest Avenue, and that after he received the money he appropriated it to his own use.

POSTAL SAVINGS INCREASING IN NEW YORK

On January 31, 1912, there were 468 postal savings depositories in operation in New York with deposits amounting to over \$1,220,000. This amount was deposited by about 28,000 depositors, or an average of \$4 per depositor. Since the opening of postal savings depositories in New York there have been approximately 39,000 accounts opened, and more than 65,000 deposits made, or an average of two deposits to each depositor, and about 15,000 withdrawals, or an average of one to each two depositors.

Compared with number of depositors and amount on deposit with other states, New York ranks first in number of accounts remaining open January 31st, and second in total amount remaining on deposit, showing that as compared with other states the average amount to the credit of each depositor is lower in New York than is the average amount for the United States.

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

**Assets Over
\$16,000,000**

The Seattle National Bank

OF SEATTLE, WASHINGTON

SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

R. V. ANKENY, Cashier
J. FURTH, Chairman Board of Directors

Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

Pacific Northwest Banking News

Spokane, Wash., April 23.—Spokane Chapter of the American Institute of Banking entertained one hundred and fifty members and representatives of banks at its first annual banquet and business meeting in the Moorish room of the Spokane Hotel, April 17th. Joseph W. Bradley, retiring president, was toastmaster, the principal speakers being Mayor William J. Hindley, Charles A. McLean, president of the Washington Bankers Association; Samuel Galland, president of the Spokane Clearing House Association; W. D. Vincent, cashier of the Old National Bank, and Rev. John H. Dietrich, pastor of the Unitarian Church. President-Elect Russell spoke of the Rochester convention.

The decorations were in gold and black, the colors of the chapter; the menu cards being in the form of passbooks. The musical program was under the direction of Hugh E. Winder, cashier of the Union Park Bank, and George H. Greenwood, auditor of the Old National Bank. The Silver Grill orchestra also played several selections. All the banks in Spokane were represented by presidents or other executive officers, who remained throughout the session.

These executive officers were elected to serve during the coming twelve months:

President, B. A. Russell, Washington Trust Company; vice-president, G. C. Gage, Exchange National Bank; financial secretary, C. H. Hausken, Old National Bank; recording secretary, C. E. Cooper, Fidelity National Bank; treasurer, W. A. Tollenaar, Old National Bank; executive council, J. W. Bradley, Old National Bank; Thomas H. Keown, Bank of Montreal, and Thomas Roholt, Traders National Bank.

The delegates to the state convention are: Joseph W. Bradley, Thomas H. Keown, Thomas Roholt, C. E. Cooper, and W. H. White, Spokane and Eastern Trust Company. Joseph W. Bradley is the delegate to the national convention.

Believed to Have Lost Life in Titanic Disaster

James B. Brady, vice-president of the Pomeroy Savings Bank at Pomeroy, Wash., was a passenger on the ill-fated Titanic, and it is believed he lost his life in the sinking of the liner. Mr. Brady, his sister, Ella Brady, of Pomeroy, Mrs. M. H. Houser, and Miss Bertha Houser of Portland, and Mrs. Daniel Drumheller of Spokane left this city, December 26th. Miss Brady sailed from New York for Germany, and the rest of the party sailed for Alexandria, Egypt, and afterward made a tour of Europe. Miss Brady joined the party in Paris, where Mr. Brady left the party, going to Ireland, and afterwards started for home on the Titanic.

Bond Issue

Announcement is made an issue of serial bonds to run ten years probably will be sold by the city commissioners of Spokane to finance the new city hall. The amount of the

issue can not be determined until after bids are received on May 11th, and a contract is awarded. The estimated cost of the superstructure of the city hall is \$323,000, but it is thought that the bids will be under this figure, owing to the keen competition that has recently been manifested in construction work.

Would Invest More in Spokane Country

Frank G. Kiesow of Arthur D. Jones & Co., resident representatives of the United States Mortgage and Trust Company of New York, which has more than \$1,500,000 invested in the Spokane country, has received advices that the company's agents have expressed a desire to place a much larger amount of money in this territory. He added that the investigators recognize that the district holds forth big promises for the future, and that the company will invest a large amount of money for loans on improved city real estate.

Increase in Postal Receipts

Walter P. Edris, postmaster of Spokane, shows in a report that from a total of \$7,436.01 in 1887, the postal receipts have increased to \$477,281.52 in 1911. The years from 1894

to 1895 were off. The yearly receipts follow: 1887, \$7,436.01; 1888, \$19,665.07; 1889, \$31,996.04; 1890, \$47,548.68; 1891, \$49,021.88; 1892, \$49,448.25; 1893, \$48,404.33; 1894, \$41,990.05; 1895, \$42,277.80; 1896, \$52,344.45; 1897, \$64,761.91; 1898, \$75,023.54; 1899, \$90,230.43; 1900, \$93,337.58; 1901, \$104,082.90; 1902, \$125,101.08; 1903, \$151,849.05; 1904, \$174,321.73; 1905, \$202,201.73; 1906, \$250,234.30; 1907, \$318,662.07; 1908, \$356,711.86; 1909, \$426,640.12; 1910, \$469,531.34; 1911, \$477,281.52.

Wallace Released on Bond

C. C. Wallace, private banker of Kettle Falls and Republic, Wash., who was arrested April 5th, was released April 12th on the acceptance of a \$1,000 bond by Judge E. K. Pendergast of the superior court of Ferry county. The specific charge against Mr. Wallace is that he received \$181 from J. H. Hicks in January, 1912, when insolvent as a banker. The bank in Kettle Falls closed February 13th, and the bank in Republic was closed on the following morning on receipt of an order by wire from Kettle Falls. Among the assets are 713,000 shares of mining, oil and insurance stocks, of an estimated value of \$65,000, but it is also stated that no securities not gilt edge are included in the receiver's estimate of assets.

Private Bank Converted into a Corporation

The Bank of Juliaetta at Juliaetta, Idaho, has been changed from a private bank to a corporation under the laws of Idaho. E. W. Porter, Martin V. Thomas, Walter Clark, J. L. Woody, William Cox, and W. W. Johnson are incorporators and directors. Mr. Porter, who had charge of the bank twelve years, retains controlling stock. The capital stock has been increased from \$10,000 to \$15,000.

Will Vote on Bond Issue

Residents of Rosalia, Wash., will vote upon the question of issuing \$15,000 in municipal bonds at an election called for May 28th. Nine thousand dollars is for a city hall and site. The balance will be applied to paying off the warrant indebtedness.

NEW JERSEY BANKERS CONVENTION

The following prominent speakers will address the convention of the New Jersey Bankers Association to be held in Atlantic City on May 3d and 4th: Senator Walter E. Edge, President H. H. Pond, of the association, Edward S. Pierson, state banking and insurance commissioner, Henry J. Ford, J. Herbert Case, president of the Franklin Trust Company of Brooklyn, John D. Everitt, president Orange National Bank, Sidney Riddlestorffer, vice-president of the Perth Amboy Trust Company, and by Uzal H. McCarter, president of the Fidelity Trust Company of New York. The banquet will be held on Friday evening, May 3d, and among the speakers will be the Hon. Franklin MacVeagh, secretary of the treasury, Francis Harvey Green, of Westchester, Pa., and Governor Woodrow Wilson.



The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

OFFICERS—

D. W. TWOHY, President
T. J. HUMBERD, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

J. S. & W. S. KUHN

INCORPORATED

INVESTMENT BANKERS

FIRST NATIONAL BANK BUILDING

PITTSBURG

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PHILADELPHIA

Guaranteed
Irrigation Bonds.
Guaranteed Water Works Bonds.
Public Service Bonds.
Municipal
Bonds.

There never has
been a day's delay in the
payment of either the principal
or interest on any bond
we have sold.

UNCLE SAM IS HARD TO PLEASE.

Are you the same? Then next time you go to *St. Louis*, test the quality of *C. & E. I.* service. It's the route that takes the mails.



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Leading Bond Houses dealing in Gas, Electric and Railway Securities

NEW HEAD FOR TACOMA BANK

Seattle, Wash.—R. S. Stacy, vice-president of the National Bank of Commerce, has resigned, and on May 1st will assume the presidency of the Pacific National Bank, of Tacoma. Mr. Stacy will fill the vacancy caused by the death of L. J. Penticost. The vacancy in the National Bank of Commerce has not yet been filled.

NEW TEXAS STATE BANKS

Austin, Texas.—At a meeting of the state banking board, certificates of authority to do business in Texas were issued to the following new state banks: First State Bank of Ireland, capital stock \$20,000; First State Bank of Pritchett, capital stock \$10,000; Hebron State Bank of Hebron, capital stock \$10,000; the Neches Guaranty State Bank of Neches.

All of these banks assumed the guaranty fund system of protecting their depositors. The capital stock of the last named bank is \$10,000.

NATIONAL NASSAU BANK

Stockholders of the National Nassau Bank, New York, at a special meeting, have ratified the increase of the capital stock from \$500,000 to \$1,000,000, by increasing the par value of its present shares from \$50 to \$100.

The new stock will be issued at \$150 a share, to stock of record April 19th, to the amount of 100 per cent of par value of their present holdings. Each holder of two shares of present stock will be entitled to subscribe for one share of new stock at \$150 per share, payment to be made by May 15th. This will leave \$250,000, to be added to surplus account.

H. M. BAETZ

H. M. Baetz, teller and bookkeeper for the American Bank and Trust Company of San Antonio, Texas, who was married at San Antonio on April 17th, came to Chicago with his bride, on their wedding trip. They found much pleasure in visiting the homes of various Chicago banks.

NATIONAL BANK MERGER

San Francisco, Cal.—The merger is announced of the Merchants National Bank, and the Western Metropolis National Bank, under the name of the Merchants National Bank of San Francisco. The business of the Merchants National will be transferred to the premises occupied by the Western Metropolis National. The Western Metropolis some time ago absorbed the City and County Bank. With the completion of the new merger the Merchants National will have deposits of about \$6,000,000. Upon completion of the merger officers and directors will be chosen from the officers and directors holding positions in the two banks at present.

INDIANA TRUST COMPANIES

The total assets of the 119 trust companies in Indiana on March 31st were \$93,863,999.87, according to the report of the annual call on those institutions, issued by Harry L. Arnold, head of the banking department of the office of the auditor of state. The loans and discounts of the institutions aggregated \$54,055,121.51 and the overdrafts were only \$57,545.22.

Other items in the total of the assets of the companies were as follows: Bonds and stocks, \$13,097,389.92; premiums paid on

bonds, \$42,327.25; companies' buildings, \$1,885,863.84; furniture and fixtures, \$475,683.68; other real estate, \$261,789.88; advances to estates and trusts, \$962,433.97; due from departments, \$238,748.55; due from banks, company funds, \$11,979,043.76; due from banks, trust fund, \$2,098,070.17; cash on hand, \$310,835.35; expenses, \$389,583.46; miscellaneous, \$8,009,563.31.

Among the liabilities of the companies the total capital stock of the organizations was reported to Mr. Arnold as \$10,980,372.13; and the surplus was \$2,877,478.95. The undivided profits reported aggregated \$1,363,995.45, and the other items in the list of liabilities of the companies follow: Dividends unpaid, \$32,132.86; interest and discounts, \$764,058.89; other earnings, \$147,534.78; general deposits, \$13,105,040.33; certificates of deposit, \$14,492,201.63; savings deposits, \$35,489,230.17; trust deposits, \$2,703,419.61; special deposits, \$706,771.24; due to banks and trust companies, \$2,813,880.79; due to insurance and real estate departments, \$1,614,722.32; certified checks, \$91,831.62; premium reserve on bonds issued, \$15,381.58; miscellaneous, \$6,665,947.42.

PRIVATE BANK GETS CHARTER

Salem, Ore.—With a capitalization of \$25,000, and with H. K. Fisher, Davis Wilson and Frank Lonneig as incorporators the Bank of Haines has filed articles of incorporation with Secretary of State Olcott, and has received from the state bank examiner a state charter. The bank has heretofore been conducted by B. E. Harder as a private institution.

Thomas D. Lockman has been elected president of the Albia (Iowa) State Bank.

JOHN McHUGH - President
 JOHN J. LARGE - V.-Pres.
 W. L. MONTGOMERY, V.-Pres.
 HENRY G. WEARE - V.-Pres.
 F. A. McCORNACK - V.-Pres.
 H. A. GOOCH - Cashier
 O. D. PETTIT - Asst. Cashier
 FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
 BUSINESS AND OFFER
 YOU EXCEPTIONAL
 FACILITIES. CORRE-
 SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
 Excellent Collection Facilities

ARTHUR REYNOLDS, President
 J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
 C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
 W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
 C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
 Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
 Savings Bank that Makes a Specialty of
 Collections and Bank Accounts

Largest Bank in Clinton
 County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
 35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VEEHLEN, President
 GEO. E. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
 KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

C. F. Drewry, formerly of Iowa, has purchased the stock of E. A. James, cashier of the First National Bank of Los Banos, Cal., and has been elected as his successor. Mr. James will move to San Francisco.

Des Moines, April 24.—S. L. Moore, president of the First National at Boone, is thanking his lucky stars that he was not able to secure passage on the steamer, Titanic. He made an effort to do so, but when he reached Paris, he was offered better accommodations on the Lapland, so he took that boat instead. He likewise persuaded a party of tourists to go with him. Thus the party escaped the Titanic disaster. Moore was accompanied by his niece, Miss Louise. Iowa bankers have been watching Mr. Moore's trip abroad with considerable anxiety, as it was reported once that the couple had been lost while going from South America across to Africa. However, Mr. Moore is at Boone, and is very much alive.

E. H. Rich, cashier of the First National at Fort Dodge, had planned a trip on the Titanic as a graduating present for his son, William, when the latter graduates from Princeton this spring. Passage had been engaged on the giant steamer for June.

Preliminary Announcements for Convention

Secretary P. W. Hall of the Iowa Bankers Association is sending out preliminary announcements for the forthcoming state convention at Cedar Rapids, June 5th and 6th. The list of speakers thus far assured includes Elbert Hubbard, Adam Bede, Detective Wm. J. Burns, Hugh L. Cooper, builder of the dam at Keokuk, President Harris of the Illinois Bankers Association, Joseph Chapman of Minneapolis, and C. F. Curtiss of Ames College. The latter three will talk upon agricultural development, a subject in which bankers the country over are now taking especial interest. Secretary Hall has endeavored to secure entertaining speakers so that the programs will be more interesting than ordinarily in the past.

Group Meeting Dates

The group meetings of the Iowa bankers have now been arranged for with the exception of Group 6, which will meet at Des Moines, date to be determined later. The complete list with that exception; Group 1, Sheldon, May 2d; Group 2, Fort Dodge, May 8th; Group 3, Northwood, May 15th; Group 4, New Hampton, April 25th; Group 5, Council Bluffs, May 7th; Group 8, Clinton, May 9th; Group 9, Lamoni, May 17th.

Meeting of Group 4 at New Hampton

An unusually interesting program was arranged for the meeting of Group 4, at New Hampton, Thursday. Headquarters were at the Hotel Miller, and the meetings were held in the Knights of Pythias Hall. The program as announced was as follows: Welcome to New Hampton, Mayor F. D. Griffin; Taxation of Banks, C. H. McNider, First National, Mason City; What the I. B. A. is Doing, E. J. Curtin, president Iowa Bankers Association, Decorah; Some Problems of the City Banker, John Fletcher, vice-president Drovers Deposit National, Chicago; The Assets of a

Bank, F. J. Eighmey, First National, Waterloo; Intermission, ten minutes. Address, Ernest Moore, American Trust and Savings, Cedar Rapids; Imagination in Banking, H. B. Craddick, financial advertising expert, Minneapolis; Address, Percy W. Hall, secretary Iowa Bankers Association, Des Moines. The election of group officers wound up the afternoon program. At 6:30 o'clock, the New Hampton bankers were hosts to the visitors at a banquet at the Hotel Miller. Just by way of variety, the New Hampton bankers gave a most enjoyable smoker in K. P. hall, at which there was an informal discussion of topics of mutual interest. C. A. Larson of the First National of New Hampton was chairman of the group. F. A. Schuetz, cashier of the State Savings, Lawler was secretary. The attendance at the group session was first class and the meetings were profitable.

Bankers Life Insurance Company Hold Election

The directors of the Bankers Life Insurance Company of Des Moines held their election last week. W. O. Finkbine of Des Moines was previously elected director. The fight which was made upon Simon Casady, president of the Central State, was partially successful. Mr. Casady was removed as vice-president, but retained as treasurer. It was voted that the funds of the company which total a half million dollars each quarter, will in the future, be divided between the Iowa National and the Central State. Heretofore, the Central State has had exclusive use of this money.

Important Bank Merger at Washington

Announcement is made of a bank merger of importance at Washington. The Citizens Savings and the Washington County Savings will hereafter be operated as one institution. These two institutions are among the best known in southeastern Iowa. The Citizens was the first bank organized in the county. It has deposits of \$900,000. The Washington County Savings is thirty-six years old, and had deposits of \$300,000. The officers of the consolidated institution are: President, Charles H. Keck; vice-presidents, Frank Stewart, C. M. Keck, S. W. Livingston; cashier, D. J. Ross; assistant cashier, George J. Beitenbach; directors in addition to the above are H. C. Hull, A. E. Cunningham, and T. J. Berdo. F. Anderson, formerly president of the Washington County Savings, retires.

Opening of German Savings at Davenport

According to reports, the opening of the German Savings at Davenport, which was mentioned in these columns last week, was an especially noteworthy affair. In the first place, it is not every bank that boasts of \$250,000 brand new bank building. Flowers were sent in in profusion. President Voss was especially well pleased with a beautiful azalea plant in full bloom from the Northern Trust

Company of Chicago. The German American of Marengo, Scott County Savings, Iowa National and Davenport Savings sent flowers. Twelve million in cash and securities were transferred to the new institution, and the bank celebrated by paying a special dividend of \$120,000.

Charged with Embezzlement

F. W. Mayes, formerly cashier of the Bank of Rudd at Rudd, was indicted by the grand jury at Mason City. He is charged with embezzlement of \$12,000 of funds from the institution. Mayes gave bonds and was released. Particulars of the crime of which he is accused have not been made known in Des Moines. Rudd is a small town near Mason City.

Warning Against Check Forger

Secretary P. W. Hall of the I. B. A., is warning bankers against one O. B. Cox, who recently passed a bogus draft for \$575 upon a Des Moines real estate man and received in return \$375. The other \$200 went in as purchase on the real estate man's house. The latter grew suspicious and wired to Joliet for information as to the draft which Cox gave him. The bank telegraphed back that it was fake. Whereupon the real estate man stopped payment on the check. It is surmised that Cox fled before attempting to cash the check in Des Moines, as it has not turned up at this writing. Cox was in Des Moines several days. Secretary Hall believes that he wore a stomach pad, as he seemed to be rather more corpulent about the abdomen than his face indicated. His hair also seemed unusually gray considering his face. Cox carries stationery of the Joliet bank with a letter from A. K. Stoose, the assistant cashier which Secretary Hall believes is bogus. Mr. Stoose has denied the signatures.

Iowa Banking Notes

George W. Koontz, the popular banker at Iowa City, and Nestor of the Iowa legislature, has thrown his hat in the ring, and is again a candidate for the Iowa house of representatives from Johnson county.

The school board of Des Moines is preparing to issue refunding bonds of \$147,560. These will be used to pay up on bonds that fall due the first of May. They will run for twenty years.

The Farmers and Merchants State at Cedar Rapids has filed amendments to its articles of incorporation increasing the capital stock from \$60,000 to \$100,000.

The Newell Savings has been purchased by Loren F. Parker, formerly assistant cashier of the First National at Cherokee. He will make the Newell institution into a national bank. H. Rodman of the Cherokee State succeeds Mr. Parker in the First National at Cherokee and Deputy County Auditor George Wilson succeeds Rodman.

Iowa newspapers are carrying a story relative to the postal savings bank at Grundy Center. It appears that while the postal institution has been open for deposits there for three months, not a single cent has been deposited in it. Other towns report a similar lack of appreciation on the part of the public but Grundy Center seems to hold the record.

The banker clearings for the Davenport banks as compiled for the year ending April, 1912, show a total of \$28,142,819, which is an increase of \$1,843,716 over the clearings for the preceding year.

Dan Melter has been chosen president of the First National at Marcus.

Grant McPherrin, president of the Drake Park Bank, Des Moines, has purchased a lot in Hyperion Park, one of the beautiful sub-

urban districts of the city, and will erect a handsome new home thereon.

John U. Plank has resigned as cashier of the Iowa City Commercial Savings and Geo. W. Dvorsky, assistant cashier, has succeeded him. O. L. Karsten of the Winfield State at Winfield, joins the force of the Commercial.

The German Savings, Des Moines, was the fortunate bidder for bonds of \$55,000 issued by the board of supervisors. The bank paid a premium of \$545. The bonds draw 4½, and run for twenty years.

John F. Schee, president of the Indianola Banking Company of Indianola, was a visitor in Des Moines last week.

The First National at Shenandoah has purchased a controlling interest in the bank at Gravity, according to reports from Shenandoah.

The Ames Savings at Ames has changed ownership. W. D. Meltzer becomes president, R. O. Hasbrouck of Humeston becomes cashier, and Dr. A. R. Amos is interested.

The Webster City Savings has laid a new tile floor, and has installed a new court besides making other improvements in the appearance of the institution.

The Union National at Ames has installed handsome new fixtures, and has now one of the handsomest interiors of central Iowa. The Union National has also acquired the Gilbert Savings Bank at Gilbert.

F. V. Mullin, cashier of the Parnell Savings at Parnell, died recently, after an illness of ten days with pneumonia. He had been connected with the bank for twenty-five years, and in that time had never missed a day because of illness.

The Conrad State at Conrad has moved into its new quarters, and is as pleased as a boy with a pair of red-topped boots. The interior finish is marble, mahogany, and tile, and the walls are done in stipple. The bank has installed two hundred and fifty safety deposit boxes of solid bronze with a master key system of opening that is attracting widespread interest at Conrad.

Herman Nelson has resigned as cashier of the Peoples at Titonka, and has accepted the position of cashier of the bank of Glendale, California.

The Battle Creek Savings at Battle Creek has let the contract for its new building to John Huxtable of LeMars, Iowa. The structure will be two stories high. The exterior will be Bedford stone, and the interior finish will be marble and tiling.

J. P. O'Malley, well-known president of the Peoples National at Perry, is an active candidate for congress on the democratic ticket, and recently he was enthusiastically endorsed by the Dallas county democrats in county convention assembled.

Sioux City

By JOHN J. BIDDISON.

Ninety-seven postal savings banks in the state of South Dakota on the last day of January had on deposit the sum of \$32,000 in round numbers, that amount being divided among about 500 patrons, according to a report issued by the postoffice department at Washington. That is an average of \$64 per person. Since postal banks have been established, about 600 accounts have been opened and something over 1,500 deposits have been made, an average of a little more than two to each depositor. There have been about 400 withdrawals in that time. South Dakota

ranks 43d among the states in number of depositors and 42d in total amount remaining on deposit.

Meeting of Group 1 to be Held at Sheldon

Arrangements have been made in Sioux City by a committee for the meeting of Group 1 of the Iowa Bankers Association, which will be held at Sheldon, Ia., on May 2d. It is expected that 150 bankers will be in attendance. Most of these meetings are held in Sioux City, but this in an "off" year. Nearly every bank in this city will be represented at Sheldon. The committee in charge consists of the following: F. W. Boxham, cashier First National, Sheldon; W. E. Clagg, cashier Sheldon National, Sheldon; C. J. Wohlenberg, cashier Holstein Savings, Holstein; John J. Large, vice-president First National, Sioux City.

New Bank Buildings

Contracts have been let for new bank buildings by the State Bank of Arthur, Ia., and the State Bank of Merville, Ia. The former will cost \$11,000 and the latter \$9,000.

Death of Mrs. Frank P. Huff

Mrs. Frank P. Huff, wife of the cashier of the First National Bank of Rockwell City, Ia., is dead after a brief illness.

Among the Visiting Bankers

Among the bankers who were in Sioux City last week from territory hereabouts were the following: W. W. McElrath, president of the Merville State Bank, Merville, Iowa; M. D. Gibbs, cashier of the Bank of Northwestern Iowa, Alton, Iowa; J. R. McLain, cashier of the Lamro State Bank, Winner, S. D.; C. H. Barrett, president of the Vermillion (S. D.) National; W. T. Graham, cashier of the First National Bank of Laurel, Nebraska; M. N. Winebrenen, cashier of the Walthill (Neb.) National; Herman Fortin, cashier of the Farmers Bank of Salix, Iowa; and C. W. Brink, cashier of the Bank of Matlock, Matlock, Iowa.

FOR O. B. A. AGRICULTURAL COMMITTEE

In line with the recent work of the Oklahoma Bankers Association to secure better farm development and soil cultivation, a resolution was adopted at three of the Oklahoma group meetings proposing a permanent committee to be appointed at the annual convention in Tulsa to work with the American Bankers Association committee for better agriculture the United States over. Following is the text of the resolution:

Whereas, The Bankers associations of twelve states have appointed special committees for the purpose of investigating agricultural and educational conditions in their respective states, and

Whereas, The American Bankers Association have recognized this movement by appointing a similar committee and making appropriations for their use, and

Whereas, Conference of these committees have been and will be held, therefore be it

Resolved, That the executive committee of the Groups Three, Four and Five of the Oklahoma Bankers Association are requested to investigate this movement, and if in their opinion they deem it wise to do so, to appoint a special committee to make a similar investigation in their state, and to report at the May convention.

NEW NATIONAL BANK ORGANIZED

The comptroller of the currency has issued a charter to the Irving Park National, the capital stock being \$100,000. The bank opened for business on Thursday of this week. John A. Wadhams is the president of the new bank.

FOREMAN BROS. BANKING CO.

30 N. La Salle St. Chicago

Statement of the Condition at the Commencement of Business
April 19, 1912

RESOURCES

Loans and discounts	\$9,276,040.90
Overdrafts	4,155.48
Stocks and bonds	188,486.79
Cash on hand and in banks	3,186,624.66
Total	\$12,655,307.92

LIABILITIES

Capital	\$1,000,000.00
Surplus	500,000.00
Undivided Profits	26,690.67
Deposits	11,128,617.25
Total	\$12,655,307.92

EDWIN G. FOREMAN, President
OSCAR G. FOREMAN, Vice-President

GEORGE N. NEISE, Cashier
JOHN TERBORGH, Ass't Cashier

Peoples Trust and Savings Bank

Peoples Gas Building, Michigan Avenue and Adams St., CHICAGO

Condensed Report of Condition April 18, 1912

RESOURCES

Loans	\$4,540,050.16
Bonds	819,982.41
Furniture and Fixtures	8,776.65
Due from Banks	566,305.86
Cash on hand	403,022.73
Total	\$6,338,137.81

LIABILITIES

Capital Stock	\$ 500,000.00
Surplus	100,000.00
Undivided Profits	62,691.41
Reserve for Interest	10,158.33
Deposits	5,665,288.07
Total	\$6,338,137.81

DIRECTORS

CHARLES G. DAWES
J. KRUTTSCHNITT

S. M. FELTON
W. IRVING OSBORNE
GEO. M. REYNOLDS

JAMES F. MEAGHER
C. H. BOSWORTH

OFFICERS

C. H. BOSWORTH, Pres.
R. H. GRIFFIN, Vice-Pres.
W. J. COOK, Secretary

EARL H. REYNOLDS, Cash.
A. M. RODE, Asst. Cashier
R. B. UPHAM, Mgr. Bond Dept.

Central Trust Company of Illinois

125 West Monroe Street, Chicago

Report of Condition at the Commencement of Business,

April 19, 1912

RESOURCES

Time Loans	\$21,269,597.11
Demand Loans	6,198,407.44
Real Estate Loans	2,041,576.76
Bonds and Stocks	5,799,053.28
Bank Premises	775,000.00
Other Real Estate Owned	163,348.25
Overdrafts	4,085.52
Cash and Sight Exchange	11,674,264.86
Total	\$47,925,333.22

LIABILITIES

Capital Stock	\$ 3,500,000.00
Surplus	1,000,000.00
Undivided Profits	494,906.83
Reserved for Taxes and Interest	63,000.00
Bond Premium Adjustment Account	62,477.25
Dividends Unpaid	584.00
Deposits	42,804,365.14
Total	\$47,925,333.22

Colonial Trust & Savings Bank

La Salle St., N. E. Cor. Adams Chicago

Report of Condition at Commencement of Business, Apr. 19, 1912

RESOURCES

Loans and Discounts	\$5,131,153.70
Bonds	673,744.09
Furniture and Fixtures	11,550.00
Cash and Sight Exchange	2,465,994.68
Total	\$8,282,442.47

LIABILITIES

Capital Stock	\$ 600,000.00
Surplus and Undivided Profits	473,683.22
Deposits	7,208,759.25
Total	\$8,282,442.47

OFFICERS

LONDON CABELL ROSE, President
JACOB MORTENSON, Vice-Pres.
R. C. KELLER, Vice-Pres. and Cash.
EMIL STUEDLI, Asst. Cashier
W. F. DOGGETT, Asst. Cashier
H. A. SADLER, Asst. Cashier
WM. J. FELDMANN, Asst. Cashier

ESTABLISHED 1879

State Bank of Chicago

S. E. Cor. La Salle and Washington Streets

CONDENSED REPORT, APRIL 19, 1912

RESOURCES

Loans and Discounts	\$20,963,491.46
Overdrafts	8,169.20
Bonds	1,406,520.76
Cash and Due from Banks	7,435,279.08
Total	\$29,813,460.50

LIABILITIES

Capital Stock	\$ 1,500,000.00
Surplus (Earned)	2,000,000.00
Undivided Profits	200,588.21
Reserved for Interest and Taxes	87,000.00
Dividends unpaid	567.00
Deposits	26,025,305.29
Total	\$29,813,460.50

OFFICERS — L. A. GODDARD, President; HENRY A. HAUGAN, Vice-President; HENRY S. HENSCHEN, Cashier; FRANK I. PACKARD, Assistant Cashier; C. EDWARD CARLSON, Assistant Cashier; SAMUEL E. KNECHT, Secretary; WILLIAM C. MILLER, Assistant Secretary.

BOARD OF DIRECTORS — DAVID N. BARKER, Manager Jones & Laughlin Steel Co.; J. J. DAU, President Reid, Murdoch & Co.; THEO. FREEMAN, Retired Merchant; L. A. GODDARD, President; HENRY A. HAUGAN, Vice-President; H. G. HAUGAN, Ex-Comptroller Chicago, Milwaukee & St. Paul Ry.; OSCAR H. HAUGAN, Manager Real Estate Loan Department; A. LANQUIST, President Lanquist & Ilisley Co.; WM. A. PETERSON, Proprietor Peterson Nursery; GEO. E. RICKARDS, Chicago Title & Trust Co.; MOSES J. WENTWORTH, Capitalist.

YOUR BUSINESS INVITED

REPORT OF THE CONDITION OF THE CORN EXCHANGE NATIONAL BANK OF CHICAGO

At the Close of Business, April 18, 1912

RESOURCES

Time Loans	\$34,325,769.85	
Demand Loans	8,805,516.75	\$43,131,286.60
Overdrafts		4,991.06
United States Bonds		1,700,000.00
Other Bonds		2,587,060.00
Bank Building		2,000,000.00
Cash on Hand	\$13,478,386.34	
Checks for Clearing House	1,826,129.44	
Due from Banks	8,345,500.24	
Due from Treasurer U. S.	222,000.00	
Total		\$73,295,353.68

LIABILITIES

Capital		\$3,000,000.00
Surplus		5,000,000.00
Undivided Profits		906,829.56
Circulation		513,397.50
Dividends Unpaid		932.00
Deposits—Banks and Bankers	31,660,307.02	
Individual	<u>32,213,887.60</u>	
		<u>63,874,194.62</u>
		\$73,295,353.68

OFFICERS

ERNEST A. HAMILL, President
CHARLES L. HUTCHINSON, Vice-Pres.
CHAUNCEY J. BLAIR, Vice-President
D. A. MOULTON, Vice-President
B. C. SAMMONS, Vice-President
JOHN C. NEELY, Secretary
FRANK W. SMITH, Cashier
J. EDWARD MAASS, Asst. Cashier
JAMES G. WAKEFIELD, Asst. Cashier
LEWIS E. GARY, Asst. Cashier

DIRECTORS

CHARLES H. WACKER
CLARENCE BUCKINGHAM
FREDERICK W. CROSBY
MARTIN A. RYERSON
EDWARD R. BUTLER
BENJAMIN CARPENTER
WATSON F. BLAIR
CHAUNCEY J. BLAIR
EDWARD A. SHELDON
EDWIN G. FOREMAN
CLAYE B. CURT
CHARLES H. HULBURD
ERNEST A. HAMILL
CHARLES L. HUTCHINSON

Foreign Exchange—Letters of Credit—Cable Transfers

1857



1912

Statement of Condition at Commencement of Business, April 19, 1912

RESOURCES

Loans and Discounts.....	\$34,165,679.23
Bonds and Mortgages.....	10,157,068.10
Due from Banks and Bankers.....	\$15,080,799.91
Cash and Checks for Clearing House.....	10,146,447.20
	\$69,549,994.44

LIABILITIES

Capital Stock.....	\$ 3,000,000.00
Surplus Fund.....	6,000,000.00
Undivided Profits.....	492,518.44
Reserved for Accrued Interest and Taxes.....	96,934.55
Deposits.....	59,960,541.45
	\$69,549,994.44

DEPARTMENTS

Commercial—Savings—Trust—Bond
Farm Loan—Foreign Exchange

DIRECTORS

Frank H. Armstrong	William A. Gardner	Thies J. Lefens	Edward L. Ryerson
Enos M. Barton	Elbert H. Gary	Cyrus H. McCormick	John G. Shedd
Clarence A. Burley	Edmund D. Hulbert	Seymour Morris	Orson Smith
Henry P. Crowell	Chauncey Keep	John S. Runnells	Albert A. Sprague II

OFFICERS

Orson Smith, President	P. C. Peterson, Assistant Cashier
Edmund D. Hulbert, Vice-President	C. E. Estes, Assistant Cashier
Frank G. Nelson, Vice-President	Leon L. Loehr, Secretary and Trust Officer
John E. Blunt, Jr., Vice-President	F. W. Thompson, Mgr. Farm Loan Dept.
J. G. Orchard, Cashier	H. G. P. Deans, Mgr. Foreign Dept.

CHICAGO

Report of the Condition of the

Fort Dearborn National Bank

CHICAGO

At the Close of Business, April 18, 1912

RESOURCES

Loans and Discounts.....	\$17,436,165.45
Overdrafts.....	4,385.24
United States Bonds, par value.....	1,201,000.00
Premium on Bonds.....	5,750.00
Other Bonds and Securities.....	2,257,625.57
Due from U. S. Treasurer.....	54,402.50
Cash and Sight Exchange.....	9,973,250.51
	\$30,932,579.27

LIABILITIES

Capital Stock, paid in.....	\$ 2,000,000.00
Surplus and Undivided Profits.....	644,232.47
Circulation.....	1,000,000.00
Dividends Unpaid.....	394.50
Deposits.....	27,287,752.30
	\$30,932,579.27

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....	\$9,887,954.84
February 5, 1909.....	11,617,691.24
March 29, 1910.....	15,041,357.21
March 7, 1911.....	21,574,956.79
June 7, 1911.....	23,137,746.88
September 1, 1911.....	24,500,075.82
December 5, 1911.....	25,445,199.89
February 20, 1912.....	26,207,446.32
April 18, 1912.....	27,287,752.30

OFFICERS

NELSON N. LAMPERT	WM. A. TILDEN, President	J. FLETCHER FARRELL
Vice-President		Vice-President
GEORGE H. WILSON	HENRY R. KENT, Cashier	CHARLES FERNALD
Ass't. Cashier		Ass't. Cashier
	THOS. E. NEWCOMER, Ass't. Cashier	
	H. LAWTON, Manager Foreign Exchange Department	

DIRECTORS

JOHN A. KING	RICHARD FITZGERALD	EDWARD F. SWIFT
Capitalist	Vice-Pres. and General Mgr.	Vice-Pres. Swift & Company
WALTER S. BOGLE	Chicago Junction Ry. Co.	AVERRILL TILDEN
Pres. Crescent Coal & Mining Co.		Treas. Merrill Cox & Co.
CHAS. A. PLAMONDON	RAYMOND W. STEVENS	WM. A. TILDEN
Pres. A. Plamondon Mfg. Co.	Vice-Pres. Illinois Life	President
GUSTAV FREUND	Insurance Co.	NELSON N. LAMPERT
S. Oppenheimer & Co.	C. A. BICKETT	Vice-President
	Pres. Bickett Coal and Coke Co.	J. FLETCHER FARRELL
CALVIN H. HILL	L. B. PATTERSON	Vice-President
Vice-President	Vice-Pres. National Packing Co.	HENRY R. KENT
Heywood Bros. & Wakefield Co.		Cashier

Continental and Commercial National Bank

OF CHICAGO

Statement of Condition at Close of Business, April 18, 1912

RESOURCES

Loans and Discounts.....	\$130,900,289.21	
Bonds, Securities, etc.....	14,909,827.49	\$145,810,116.70
U. S. Bonds to Secure Circulation.....		8,703,062.50
Real Estate.....		18,251.00
Overdrafts.....		6,307.42
Due from Banks and U. S. Treasurer.....	\$ 29,362,842.59	
Cash.....	46,302,414.26	75,665,256.85
		\$230,202,994.47

LIABILITIES

LIABILITIES	
Capital Stock Paid in.....	\$ 21,500,000.00
Surplus Fund.....	8,000,000.00
Undivided Profits.....	963,113.98
Reserved for Taxes.....	175,000.00
Circulation.....	8,605,300.00
Deposits.....	190,959,580.49
	\$230,202,994.47

OFFICERS

GEORGE M. REYNOLDS, Pres.	WM. T. BRUCKNER, V.-Pres.	H. ERSKINE SMITH, Asst. Cash.
RALPH VAN VECHTEN, V.-Pres.	WM. G. SCHROEDER, V.-Pres.	JOHN R. WASHBURN, Asst. Cash.
ALEX. ROBERTSON, V.-Pres.	NATHANIEL R. LOSCH, Cashier	WILSON W. LAMPERT, Asst. Cash.
HERMAN WALDECK, V.-Pres.	HARVEY C. VERNON, Asst. Cash.	DAN NORMAN, Asst. Cash.
JOHN C. CRAFT, V.-Pres.	GEO. B. SMITH, Asst. Cash.	FRANK L. SHEPARD, Auditor
JAMES R. CHAPMAN, V.-Pres.	WILBER HATTERY, Asst. Cash.	
	EDWARD S. LACEY, Chairman of Advisory Committee	

Continental and Commercial Trust and Savings Bank

CHICAGO

Statement of Condition at Commencement of Business, April 19, 1912

RESOURCES

Time Loans (secured by collateral).....	\$ 6,353,234.69
Demand Loans (secured by collateral).....	\$5,096,926.62
Bonds and Securities.....	9,360,224.99
Due from Banks.....	4,055,455.77
Cash.....	1,724,558.52
Demand Resources.....	\$20,237,165.90
	\$26,590,400.59

LIABILITIES

Capital Stock.....	\$3,000,000.00
Undivided Profits.....	1,273,450.34
Reserved for Taxes and Interest.....	114,114.22
Demand Deposits.....	\$12,456,551.28
Time Deposits.....	9,746,284.75
	\$26,590,400.59

OFFICERS

GEORGE M. REYNOLDS, President	GEO. B. CALDWELL, Vice-President	FRANK H. JONES, Secretary
JOHN JAY ABBOTT, Vice-President	CHAS. C. WILLSON, Cashier	WM. P. KOPF, Asst. Secretary

Hibernian Banking Association

CHICAGO

Statement of Condition Before the Commencement of Business, April 19, 1912

RESOURCES

Time Loans.....	\$18,339,746.70
Real Estate.....	47,150.92
Bonds and Securities.....	\$ 6,471,730.50
Demand Loans.....	1,457,207.13
Cash and Exchange.....	3,478,549.86
	\$29,794,385.11

LIABILITIES

Capital Stock.....	\$1,500,000.00
Surplus Fund.....	600,000.00
Undivided Profits.....	801,478.21
Reserved for Taxes and Interest.....	198,130.24
Demand Deposits.....	\$ 3,968,640.40
Time Deposits.....	22,726,136.26
	\$29,794,385.11

OFFICERS

DAVID R. LEWIS, Vice-Pres.	GEORGE M. REYNOLDS, President	EVERETT R. McFADDEN, Asst. Sec.
HENRY B. CLARKE, Vice-Pres. and Manager Savings Dept.	LOUIS B. CLARKE, Vice-Pres.	JOHN P. V. MURPHY, Asst. Cash.
	JOHN W. MacGEAGH, Cashier	GEORGE ALLAN, Asst. Cashier
	FREDERIC S. HEBARD, Sec'y	

The capital stock of the Continental and Commercial Trust and Savings Bank (\$3,000,000) and the capital stock of the Hibernian Banking Association (\$1,500,000) is owned by the stockholders of the Continental and Commercial National Bank of Chicago.

Combined deposits of these banks, \$239,857,193.18

STATEMENT OF CONDITION OF THE

LIVE STOCK EXCHANGE NATIONAL BANK

OF CHICAGO

AT THE CLOSE OF BUSINESS, APRIL 18, 1912

RESOURCES

Loans and Discounts.....	\$8,324,722.65	Capital Stock.....	\$1,250,000.00
Overdrafts.....	39.63	Surplus.....	400,000.00
United States Bonds.....	100,000.00	Undivided Profits.....	112,686.14
Other Bonds.....	304,825.00	Discounts Collected but not Earned.....	94,765.89
Real Estate.....	15,000.00	Reserved for Taxes.....	8,607.59
Cash and Due from Banks.....	5,303,969.83	Circulation.....	99,400.00
		Dividends Unpaid.....	622.50
		Deposits.....	12,082,474.99
	\$14,048,557.11		\$14,048,557.11

OFFICERS

W. A. HEATH, President	G. A. RYTHUR, Vice-President
G. F. EMERY, Cashier	A. W. AXTELL, Asst. Cash.
	H. E. HERRICK, Asst. Cash.

DIRECTORS

J. Ogden Armour	Arthur G. Leonard	H. E. Poronto
James H. Ashby	Edward Morris	G. A. Ryther
Samuel Cozens	Charles M. Macfarlane	J. A. Spoor
W. A. Heath		Edward F. Swift

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

BANK FIXTURES FOR SALE

For Sale Cheap. 300 second hand safe deposit boxes, in four sections. Will sell either 132 or 168 boxes. Good proportion of small and large. Good condition. Write for full description. Southern Illinois Trust Company, East St. Louis, Ill.

FOR SALE—Miscellaneous

1-A Reflex, focal plane shutter, Colorsix-inch lens. Cost \$84.50. Like new, \$45.00. Address, X-44, Chicago Banker.

1-A Graflex, 1C. Tessar lens, focal plane shutter (new out of stock), value, \$101.50 Sell, \$85.00 Cash. Address, X-55, Chicago Banker.

4x5 Goerz-Argo, latest model. Color lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$165.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale. 9 1/4-inch Goerz Dagor, Volute shutter. value \$97.50 Sell for \$50.00, like new. Six-inch Dagor, Koilos Shutter, new. Cost \$65.00. Sell for \$40.00. Address, L 723, Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, \$3c. Long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50. This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safeguard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 25c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

History of Banking in the United States. John Jay Knox. \$5.00.

Practical Banking. Claudius B. Patten. \$5.00.

Modern Banking Methods. A. R. Barrett. \$4.00.

Elements of Foreign Exchange. Franklin Escher. \$1.00.

Gold Production and Future Prices. Harrison H. Brace. \$1.50.

Pushing Your Business. T. D. MacGregor. \$1.25.

Economic Causes of Great Fortunes. Anna Youngman. \$1.50.

Neglected Point in Connection with Crises. N. Johannsen. \$1.50.

Money of the World. James P. Gardner. 50c.

Bankers' and Merchants' Perpetual Maturity Guide. \$5.00.

Trust Companies—Their Organization, Growth and Management. Clay Herrick. \$4.00.

Savings Bank and Its Practical Work. Wm. H. Kniffin, Jr. \$5.00.

Practical Treatise on Banking and Commerce. George Hague. \$3.00.

Banker in Literature. Johnson Brigham. \$2.00.

Bank Directors—Their Powers, Duties and Liabilities. John J. Crawford. 50c.

Credit Currency. Elmer H. Youngman. 50c.

Natural Money. John Raymond Cummings. \$2.00.

Two Thousand Points for Financial Advertising. T. D. MacGregor. \$1.50.

All or any of the above books will be sent, carriage prepaid, by

THE CHICAGO BANKER,

407 Monadnock Building, Chicago.

WHO SHALL PAY THE DAMAGES?

The presence of J. Bruce Ismay on board the Titanic may lead to complications when the question of the settlement of damages for loss of life, personal injuries and loss of cargo arises. There seems to be in store for Mr. Ismay an interesting fight in the admiralty courts after the government investigations here and in England are done with him.

If the question of the negligence of the White Star Line can be determined in respect to the loss of the Titanic and 1,635 lives, that company or the International Mercantile Marine Company, which owns it, stands to lose damages running well into the millions, in the opinion of some admiralty lawyers.

TEXAS WOMEN BANKERS TO BE SPECIAL GUESTS

Austin, Texas.—Elaborate plans are being made for the entertainment of the women bankers of Texas at the coming annual convention of the Texas State Bankers Association, which meets at San Antonio, on May 7th-9th, according to Miss Lena M. Riddle, managing editor of the Texas Bankers Record, who has charge of the plans.

Some time ago Miss Riddle announced that there are no less than fifty women bankers in Texas, actively engaged in the banking business, from the exchange department to president, and that there would be a separate meeting of these women at the coming convention. Miss Riddle now finds that it is next to impossible to get the name of each individual woman-banker, consequently she urges upon all banks in the state who have women in their employ to please advise her of this fact at the earliest possible moment, so that the program may be arranged and proper arrangements made for their entertainment.

It is also announced by Miss Riddle that the bankers association has engaged quarters at the St. Anthony Hotel, where there will be exhibits of the detective department of the association, showing the work of the association along that line. There will also be copies of the various banking journals published on hand for distribution.

STOCK EXCHANGE ELECTION

At a meeting of the nominating committee of the Chicago Stock Exchange, the following regular ticket was agreed upon unanimously:

President—James J. Townsend.

Treasurer—Edwin G. Foreman.

Members of the governing committee—to serve three years—F. C. Aldrich, William Coffeen, Frederick D. Countiss, Henry D. Sturtevant, Frank M. Thomas, and H. Wollenberger. To serve one year: John E. May.

Members of nominating committee—Alfred L. Baker, chairman; Windsor F. Aldrich, Orville H. Babcock, Morton D. Cahn and Ira J. Couch.

The election will be held on June 3d.

Mr. Townsend, who is serving his first year in the presidency, was quoted some time ago as saying that he did not care for another term. He was the unanimous choice of the committee, however, and probably will be elected without opposition.

BANKING DEPARTMENT GROWS

The banking department of the German American Trust Company of Indianapolis has had such growth that the quarters fronting in Pennsylvania Street have been given up to the entire use of this department, and the rental, real estate and insurance departments have been moved to a large room in Market Street adjacent to the banking quarters.

CHICAGO CHAPTER, A. I. B.

By OTTO J. KRAMPIKOWSKY.

The meeting of Chicago Chapter held Tuesday evening, April 23d, was the last meeting of the chapter, i. e. the next meeting will be primary night for the election of the new officers for the following year. Several resolutions by various members present were presented, and on motion duly seconded, they were voted adopted, and held over until the next meeting, as the resolutions pertained to the constitution of the chapter.

President Smale then introduced the first speaker of the evening, C. R. McKay, of the First National Bank, who is chairman of the committee on the numerical system of the American Bankers Association. He spoke on the numerical system, one of the most important subjects confronting the various bankers and banks of this country to-day. Mr. McKay said that there were a great many men in Chicago who were not fully acquainted with the system, not only among the clerical force, but also among the official force, and that it was the endeavor of the numerical system committee to get all thoroughly posted on it. He also said that the Canadian banks are considering the adoption of the system for Canada, and is of the firm belief that in a few months they will have the system under way.

Mr. McKay further stated that last Friday, April 19th, there was a committee appointed of members of the Clearing House Association for the purpose of pushing the numerical system in Chicago and throughout Illinois, and that it is proposed to form committees in all of the large cities throughout the country, so that the numbers can be put on the checks as soon as possible, and that this committee would appreciate very much the co-operation of every member of Chicago Chapter towards making the system a success here and taking it up with other representative banks.

Mr. McKay also illustrated how the Batch system is operated in New Orleans, stating that they use it there for the items that come from out of town banks as well as the city customers, and that the numbers very rarely run over 100.

The chairman then introduced the next speaker, W. G. Edens, of the Central Trust Company, and member of the Executive Council, A. B. A., who addressed the chapter on "The Success of the Work of the American Institute of Banking." Mr. Edens spoke of the many benefits that accrue to young men by becoming acquainted with each other and exchanging ideas, through being a member of the institute, told how the ambitious and hard workers of the past are now occupying positions of the highest responsible character with large financial institutions to-day, and stated that the young men of to-day had the same opportunity, that it was up to them to realize their ambitions, for sooner or later they would attain success. He further elaborated on the courses of lectures and instructions given by the chapter, and stated that the young men taking them are making no mistake in following them up, and encouraged them to exert themselves to improve their efficiency in their study.

Mr. Edens' manner and speech were very impressive, and he was roundly applauded at the close. Both Mr. McKay and Mr. Edens were given a rising vote of thanks for their addresses before the chapter members.

A piano selection was then given by Victor E. Olson.

George Johnson, of Warren, Minn., has bought stock in the First National Bank, Thief River Falls, Minn., and becomes assistant cashier May 1st.

F. J. Armstrong has been elected cashier of the First National Bank of Vibaux, Mont.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

prominent interests and industries of the city, and most of the prominent men are mentioned. All of these things are printed and promoted through the "McLean State Banker," a little house organ issued under Mr. Aldrich's direction.

MR. TAFT will be renominated. The country has not gone crazy and the Republican party is not a fool. If it can't elect Taft, it can't elect anybody.—Harper's Weekly.

A DETROIT photographer has offered us pictures of the members of the A. B. A. hotel committee at one dollar each. An offer of scalps of Detroit hotel managers might get a bid in certain localities which we could mention.

IOWA bankers will have a lot of politics over the treasurership this year at Cedar Rapids as well as over the places on the Big Council. Charles R. Hannan, Jr., cashier of the City National at Council Bluffs, is one of the favorites in the race.

AT the request of prominent members of the party the Briarcliff Special will not run on the fast schedule on which the railroad people are dippy, but will go on at "conservative" rate of speed so as to get to Albany about breakfast time and to Scarborough about 10:30 or 11:00 A. M., on Sunday. A daylight ride down the Hudson is the plan. Eh, Cogswell?

ST. JOSEPH, MO., democratic for ten years, went republican at the last election because of an attack the city administration made on President R. T. Forbes of the First National, because he (Forbes) as president of the Commerce Club had tried to help get a fair franchise for the street railway company from the democratic city administration.

PAYS a city administration, in these days to treat her corporate and other interests fairly and honestly, with the graft cut out. Forbes is a fighter and had his blood up.

E. C. CONVERSE, president of the Bankers' Trust Company, of New York, has donated \$125,000 to Harvard University for the establishment of a professorship of banking in the graduate school of business administration.

WHY not some big Chicago banker do the same for one of our universities? Better yet, would be the endowment of a course of lectures for Chicago Chapter A. I. B. to be known as the "Forgan," the "Reynolds," the "Mitchell," or the "Goddard" lectures?

INVESTMENT men are going to Briarcliff in force. Besides the special committee named by Chairman George B. Caldwell a number of the general committee are planning to go.

AMONG the number are Chas. Counselman, of Spencer-Trask, and Frederick R. Fenton of Devitt-Tremble. Charlie is built like a golf club and Fred after the general pattern of a tightly inflated football. By lucky financing they got a compartment together but referee George Thompson, major domo of the train, had to decide a delicate question.

"WHO shall sleep in the upper berth?" George looked the pair over carefully and then, in deep silence, consulted a formidable looking book upon "Etiquette of the Compartment and Suggestions for Safety of Passengers."

THEN came the decision: "In the interests of safe railroading, I decide that Mr. Fenton shall occupy the lower berth. In order to obtain a good night's rest, I feel that no one

should be placed below him." With this Mr. Counselman fully agreed.

SECRETARY BROUSSARD of Louisiana reported at his state convention this week a membership of 214 out of the total of 240 banks in the state. Pretty good record for efficiency.

FIRST NATIONAL and First Trust, St. Joseph, Mo., reports four and a half millions deposits. Mr. Forbes, besides knocking out the anti-corporation city ticket, at the recent election, has been attending to business.

SECURITY NATIONAL folder (Minneapolis) is one of the most effective of all that come to this desk. Get one and agree with us. Probably J. S. Pomeroy ought to have the credit? Deposits close to twenty millions.

WELL, the Chicago Bankers Club struggled through a whole year without once giving recognition to the new agricultural, good roads, and educational activities of the Illinois or any other state bankers association. The record is almost unique.

FIRST NATIONAL AND TRUST, Milwaukee, show better than twenty-two millions in deposits.

LOOK up the growth pyramid of the Live Stock National, South Omaha, for steady and rapid growth. C. F. McGrew is president; T. E. Gledhill, vice-president, and L. M. Lord, cashier. F. W. Thomas is his assistant.

GROUP 2, Illinois (second of the independent groups organized), will meet this year at Pekin on June 12th. Speakers thus far secured are E. D. Hulbert of Chicago and Dr. Taylor, soil expert, of Moline.

ILLINOIS convention goes to Peoria, September 25-26th, the only open date for the hotels. President W. C. White of the Illinois National has given liberally of his time in making the arrangements. He tried hard for an October date. President B. F. Harris has promised a "strong program."

NEARLY everyone wants to hear "Blue Sky" J. N. Dolley of Kansas and negotiations are on.

CASHIER.

The State Savings Bank, Manchester, Ia., has increased its capital stock from \$25,000 to \$100,000.

ANDREW J. FRAME'S GOLDEN JUBILEE

Word comes down from Waukesha, that Andrew J. Frame is to celebrate the fiftieth anniversary of his union with the Waukesha National on May 1st. The bank has sent out the following notice:

A greeting to our friends everywhere:

As Andrew J. Frame on May 1, 1912, closes the fiftieth year of continuous, faithful and successful service in this bank, the board of directors deem it a fitting occasion to keep "open house" at the banking office on that day from 9 A. M. 3 P. M., and a general invitation is hereby extended to old and new friends to join in congratulations.

The occasion seems fitting for two reasons. (From the history of Waukesha county and bank records.)

First: The chair he occupies is located within fifteen feet of the spot where his father as a blacksmith blew his bellows from 1840 to 1844. This is the year of his birth, and the banking office is but 150 feet from where the one-room log cabin stood in which he was born. The same year his father died, leaving a widow and two sons, Henry M. and Andrew J. They all knew by experience the hardships of pioneer days. By dint of strict economy the widowed mother gave both the boys such education as the village schools afforded.

On May 2, 1862, Andrew J. entered the pioneer Waukesha County Bank as office boy. He made the interests of the bank his interests, and through his diligence, he soon rose to bookkeeper, then teller, and on May 22, 1865—a few days after the Waukesha County Bank, organized in 1855, was reorganized as the Waukesha National Bank—he was appointed assistant cashier. On January 9, 1866, he was appointed cashier, being then but twenty-one years of age. He practically had sole charge of the bank from that date, but often sought the sound counsel and advice of his superiors, who were otherwise engaged. Mr. Frame and Senator William Blair held the positions of cashier and president respectively from 1865 to 1880, when Senator Blair was called to his final rest. Mr. Frame then succeeded to the presidency, which honor he has since enjoyed.

"Conservatism" has always been his watchword. One bank having failed in Waukesha in 1875, due to a lack of conservatism, the onward and upward progress of this bank is best illustrated by the following data as to deposits, which to-day, as compared to the population of our city, are double the deposits of any bank in any city in Wisconsin.

Deposits May 1, 1862	\$	29,290	11
Deposits May 1, 1872	.....	166,829	97
Deposits May 1, 1882	.....	553,064	01
Deposits May 1, 1892	.....	911,923	28
Deposits May 1, 1902	.....	1,784,997	27
Deposits Apr. 15, 1912	.....	2,326,850	44

There will be a reception at the Resthaven Hotel, tendered to Mr. Frame by the citizens of Waukesha, as a recognition to his worth as a citizen, as well as a banker.

ACCIDENT ASSOCIATION MOVES ITS OFFICES

Harry Blount, secretary of the Bankers and Merchants Accident Association of Illinois, announces the removal of their home office from Macomb, Ill., to Canton. Mr. Blount reports a satisfactory growth in the membership and financial condition of the institution.

Augusta, Ga.—The Citizens Bank has changed its name to the Citizens Trust Company and increased its capital to \$100,000. M. C. Dowling, formerly cashier of the Citizens Bank, is vice-president, and W. B. Pace president.

A 6% Investment

We own and offer a limited block of a well-known equipment and real estate mortgage, secured by nearly two for one, with a clean financial record. These bonds are held by many banks—one prominent institution holds \$250,000 for its own investment. They mature in 1916 and may be obtained so as to net you 6%.

The full particulars will be promptly furnished to you—and without cost or obligation on your part, either.

D. Arthur Bowman & Company INVESTMENT BANKERS

Third National Bank Building

ST. LOUIS, MO.

ALL BRANCHES OF BANKING



1857

1912

ORSON SMITH - - - President	P. C. PETERSON	Assistant Cashier
EDMUND D. HULBERT, Vice-President	C. E. ESTES - - - Assistant Cashier	
FRANK G. NELSON - Vice-President	LEON L. LOEHR	Sec'y and Trust Officer
JOHN E. BLUNT, Jr. - Vice-President	F. W. THOMPSON, Mgr. Farm Loan Dep't	
J. G. ORCHARD - - - - Cashier	H. G. P. DEANS - - - Mgr. Foreign Dep't	

CAPITAL AND SURPLUS - \$9,000,000



If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago

Correspondence Invited

THE NATIONAL CITY BANK
OF CHICAGO

Capital - - - - -	\$ 2,000,000.00
Surplus and Undivided Profits	587,563.63
Deposits - - - - -	30,713,013.20

OFFICERS

ALFRED L. BAKER - - - - -	DAVID R. FORGAN, President	
H. E. OTTE - - - - -	Vice-President	HENRY MEYER - - - Assistant Cashier
F. A. CRANDALL - - - - -	Vice-President	A. W. MORTON - - - Assistant Cashier
L. H. GRIMME - - - - -	Vice-President	WM. N. JARNAGIN - - Assistant Cashier
W. T. PERKINS - - - - -	Assistant Cashier	WALKER G. McLAURY - Assistant Cashier
W. D. DICKEY - - - - -	Assistant Cashier	R. U. LANSING - Manager Bond Dept.
		M. K. BAKER - Asst. Manager Bond Dept.

Fourth Street National Bank
OF PHILADELPHIA

Capital - - - - -	\$3,000,000.00
Surplus and Profits	6,500,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board	
E. F. SHANBACKER, President	FRANK G. ROGERS, Vice-President
JAMES HAY, Vice-President	R. J. CLARK, Cashier
B. M. FAIRES, Vice-President	W. A. BULKLEY, Assistant Cashier
W. K. HARDT, Assistant Cashier	

The Brandt Automatic Cashier

SAVES

all the bother
and worry of
counting and
picking up
small coins.

Saves 25% in
time.

Prevents

errors.

It's

automatic.

PRESS ONLY ONE KEY ^{71¢}
PAYS MONEY



Pressing ONLY ONE KEY
Completes the Transaction

COSTS

less than
5 cents a day
to own.

Requires no
supplies — no
repairs.

TEN-YEAR
guarantee.

BRANDT CASHIER COMPANY
727 SO. DEARBORN ST. - - - CHICAGO

New Trains to ST. LOUIS

VIA THE

NEW ALL-STEEL TRAIN
DAYLIGHT SPECIAL

Leaves Chicago 10:02 a. m., arrives St. Louis (via Merchants Bridge) 6:02 p. m. New Indestructible Steel Cars of Handsome Interior Finish. Every comfort and convenience will be found on this train.

NEW EVENING TRAIN
ST. LOUIS EXPRESS

Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m. An up-to-date train in every particular, with an early evening departure from Chicago.

New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped throughout, with a late evening departure from Chicago. Stops made in both directions at South Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars, Sleeping Cars. Free Reclining Chair Cars and Coaches.

ALL TRAINS ELECTRIC LIGHTED

TICKETS, FARES AND SLEEPING-CAR RESERVATIONS AT

ILLINOIS CENTRAL

City Ticket Office	76 W. ADAMS ST.	Commercial National Bank Building
R. J. CARMICHAEL, D. P. A.		Phone Central 6270

The Girard National Bank
OF PHILADELPHIA

Capital - - - - -	\$2,000,000.00
Surplus and Profits	4,585,000.00
Deposits - - - - -	40,000,000.00

FRANCIS B. REEVES, President

RICHARD L. AUSTIN
Vice-President

JOSEPH WAYNE, Jr.
Cashier

THEO. E. WIEDERSHEIM
Second Vice-President

CHARLES M. ASHTON
Asst. Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

MAY 4, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

HARRIS APPOINTS COMMITTEE ON SUPERVISION

After several months of careful consideration President B. F. Harris again submitted the matter of appointing a committee to prepare a bill on state supervision to the fifty-three members of the executive council of the Illinois Bankers Association. Writing as individuals the council, by a large majority, has put itself firmly and squarely upon record in favor of a new and better banking bill for the state of Illinois. Under authority of this letter-ballot President Harris has appointed the following committee:

Charles G. Dawes, president of the Central Trust Company of Illinois, Chicago, chairman.

E. D. Hulbert, vice-president of the Merchants Loan and Trust Company, Chicago.

M. O. Williamson, president of the Peoples Trust and Savings Bank, Galesburg.

Edward W. Payne, president State National Bank, Springfield.

John J. Doherty, cashier First National Bank, Dwight.

W. M. Fogler, president First National Bank, Vandalia.

F. B. Flanders, Bank of Noble.

John R. Wallace, Bartlett & Wallace Bank, Clayton.

E. T. Walker, Citizens Bank, Macomb.

A great many others who were consulted also were willing to serve to the best of their ability. The intention is to prepare a bill which will give supervision to all banks in the state (except those under national control), and which will safeguard state banking to the greatest possible extent. The committee will be ready to give hearings to the private and other bankers, either individually or as representatives of associations, if such have been organized.

The splendid and prompt responses which met Mr. Harris' inquiry by letter from members of the council remove all that stigma which attached to the organization by reason of the peculiar vote cast at the Blackstone Hotel meeting in January. Several members of the council at that time voted "under a misrepresentation of the true facts," and have hastened to correct their records in the matter. The committee will meet at the call of Chairman Dawes.

NEW BANK FOR CHICAGO

A new bank recently has been organized in Chicago, the name of the new institution being the Mercantile Trust. The bank has a capital of \$200,000 and a surplus of \$30,000. The directors and officers will include Darius Miller, Frederick H. Rawson and David B. Gann, principal owner of the Mercantile Bank, which has been absorbed. For the present the new bank will occupy the quarters formerly used by the Mercantile Bank. Later on it expects to move into the new building of the Burlington Railroad, at Jackson Boulevard and Clinton Street, as soon as the same is completed.

The State of Waverly, Iowa, is rejoicing in the fact that it has deposits of over a million dollars, a very fine showing.

New Jersey Association Officials



H. H. POND

Secretary and Treasurer Plainfield Trust Company
President



W. M. VAN DEUSEN

Cashier National Newark Banking Company
Vice-President

A. L. Ordean

President A. L. Ordean of the First National, Duluth, correctly rated as one of the big bankers of the country, was in Chicago on Thursday on his way up from the "Sunny Southland," as F. O. Watts would put it. Mr. Ordean is one of the best posted men in his section as to credits and values of mineral, timber, and agricultural lands.

PHILLIPS A GOOD ROADS ENTHUSIAST

J. D. Phillips of Green Valley, vice-president of the Illinois Bankers Association, was a Chicago caller on Friday. He is a good roads enthusiast, who believes that the bankers of Illinois can accomplish good results for the state in making a conservative yet energetic effort along these lines, and by co-operating with other organized interests in the state.

CHICAGO BANKS IN GOOD CONDITION

Washington, May 2.—The national banks of Chicago are shown to be in a highly gratifying and prosperous condition by a compilation made to-day by the comptroller of the currency based upon reports made to him by the banks showing their condition on April 18, 1912. Ten national banks in Chicago are shown to hold a reserve of 24.87 per cent, compared with 24 per cent on March 7, 1911.

NEW ASSISTANT CASHIER

The Fort Dearborn National Bank has added to its list of assistant cashiers William W. LeGros, who has been in the service of the bank for twenty years.

AMONG THE VISITING BANKERS

H. G. Riggs, cashier of the Mercantile Trust and Savings, Quincy; H. G. Kiesler, president Perry County Bank, Perryville, Mo.; E. A. Reddeman, assistant cashier Germania National, Milwaukee; and George Boyden, vice-president Farmers Bank, Sheffield, Ill., were Chicago visitors this week.

WITHDRAWS FROM TEXAS PROGRAM

President B. F. Harris of the Illinois Bankers Association, who had agreed to speak at the Texas bankers convention next week, was obliged to withdraw from that program, that he might meet with the agricultural committee of the American Bankers Association at Briarcliff, N. Y. Mr. Harris wrote President Handy of the Texas Bankers Association a brief letter to be read to the convention in which he endorsed the agricultural work already done by the Texas association, and pledged his support in every movement in that direction.

A corn-testing experiment was conducted by the First National Bank of Clear Lake, Iowa, which developed that 90 per cent of the seed corn in that vicinity was good.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

OFFICERS

GEORGE M. REYNOLDS President JOHN JAY ABBOTT Vice-President GEO. B. CALDWELL Vice-President CHARLES C. WILLSON Cashier FRANK H. JONES Secretary WM. P. KOPF Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
Circulars on application

105 South La Salle Street

CHICAGO

TRAVELERS SHOULD CARRY

K. N. & K.

Letters of Credit and Travelers' Checks

Available Everywhere

Your own Banker can supply them

KNAUTH, NACHOD & KÜHNE, Bankers

NEW YORK

LIEPZIG, GERMANY

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital - \$2,000,000
Surplus - 500,000
Deposits - 26,200,000

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARWELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
THOMAS E. NEWCOMER, Asst. Cashier
HARRY LAWTON, Manager Foreign Department

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....\$ 9,887,954.84
February 5, 1909.....11,617,691.24
March 29, 1910.....15,041,357.21
March 7, 1911.....21,574,956.79
June 7, 1911.....23,137,746.88
September 1, 1911.....24,500,075.82
December 5, 1911.....25,445,199.89
February 26, 1912.....26,207,446.32

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Drovers Deposit National Bank

OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-eight years rendered Efficient and Quick Service to its Correspondents

Resources, Nine Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER
GEO. M. BENEDICT
WM. C. CUMMINGS



Mainly About Banks and Bankers

JOHAN PERRIN (now of California) will attend the trust company dinner in New York on the 9th. On the 15th he has a speaking date on the currency question for the Nation Citizens League, at Norfolk, Va.

J. LAURENCE HUSTON, captured by the Pinkertons in Cincinnati, was one of these new-fangled crooks, who "exchanged" notes and commercial paper with beleaguered business men and corporations. He then got all he could on the notes which he, for a consideration, had agreed to "carry." Several banks were stuck-up for a thousand or two, but only in the agency story was he a "millionaire bank swindler."

EDWARD J. GALLIEN, who travels out for the Mercantile National, New York, was greatly impressed with the material progress made between conventions in Florida. He attends nearly all of them, and is a welcome visitor socially as well.

A NEW YORK contemporary says, "J. F. Allen started for Seattle this week," but by accident got the item in the "Lookout" column.

"BANKERS SPECIAL," out of New York for Buffalo over the Lehigh Valley Railway; think of that. We thought that between Eleven Pine Street and the "transportation committee" things ought to have been better managed.

THE railroad which sends the smartest man to Briarcliff will get the bulk of the travel back to the Golden West. No marriage ceremony ever has taken place between western bankers and any railroad in particular.

FRANK A. VANDERLIP has his country estate—Beechwood—near Briarcliff Lodge, and will entertain the members of council and of A. B. A. committees there from 4 to 6 p. m., on Monday the 6th. Later all guests will be taken to Sleepy Hollow Country Club for dinner. Automobiles and entertainment will be provided. David Bispham will sing, and the Kinnemacolor pictures of the coronation will be shown.

NOT long ago we had occasion to print a few paragraphs about a savings bank card with slots into which dimes and nickels were to be slipped and recorded on the margin. It was very interesting to those in search of new devices for the savings department.

NOW comes the St. Louis Union Trust, which goes the Security of Minneapolis one better. It has issued a neat little booklet entitled, "The Primer of Finance," fully illustrated. It starts with childhood, and the ordinary building blocks and on its various pages the child grows to manhood, goes through college and gets married. The building blocks on the back cover are so many small savings banks into each of which a dime can be slipped. A new savings account is started with these dimes when the back cover is cut off.

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

111 W. Monroe Street

Chicago

THE booklet is nicely illustrated, and serves up in all possible ways the old doctrine of "Why you should save." The blocks are called "fortune-building blocks," and it is the expectation of those interested in the St. Louis Union Trust that the little picture blocks will in reality prove to be fortune-building blocks to a great many persons. The booklet is small and is mailable for one cent. B. W. Moser, of the Trust Company, will answer any inquiries.

FIRST NATIONAL at Grand Rapids, Wis., celebrated its fortieth anniversary on April 24th, by giving out souvenirs, and entertaining the public generously at the banking building.

THIS bank was organized in 1872, by the late J. D. Witter, and for quite a while was the only bank in Wood county. Even the First National at Stevens Point was not organized until ten or twelve years later, and the bank at Marshfield began business only in 1891.

AT present the institution has capital and surplus of \$75,000, and stands No. 45 or 46 in point of size among the seven hundred banks of the state. George W. Mead is president; Edward Lynch is vice-president, and Earle Pease is cashier.

SECRETARY ANDREW SMITH of the Indiana Bankers Association has sent out his proceedings books for the fifteenth annual convention, which was held at Indianapolis in October.

MR. SMITH has made quite a hit by printing the pictures of all the ex-presidents of the association as well as the members of the council of administration and group officials. This makes the Indiana book for 1911 the best illustrated edition of its kind.

COMMERCIAL GERMAN NATIONAL at Peoria shows deposits of \$5,600,000. Walter Baker is president, and William Hazard is cashier.

PRESIDENT F. O. WATTS of the First National at Nashville makes this statement on his last folder: "The deposits of this bank have increased from year to year, and are now greater than at any time in its history. The increase in the past year has been over a million dollars."

W. D. VINCENT, cashier of the Old National at Spokane, shows in his recent statement deposits of very close to nine millions.

OLIVER J. SANDS, president of the American National at Richmond, publishes a statement showing deposits of five millions. Mr. Sands is one of the active spirits in the American Bankers Association, and has given considerable assistance in the work of his state association.

FIRST NATIONAL of Meridian, Miss., of which Edwin McMorries is president, encloses a card with its regular statement making the following offer of its services: "Our officers gladly confer with patrons upon any business, investment or financial matters regarding which they can furnish information of value, and we always take pleasure in placing our entire equipment and facilities at the disposal of those to whom they may be of benefit."

"THE BANKERS ENCYCLOPEDIA" in its most recent issue credits Illinois with twenty-one new banks, all organized since its last publication. This increase in the number of banks is pointed out by the private bankers of the state as one of the results of the agitation for supervision. They look upon these new banks as likely to produce a very threatening situation in case of a money stringency.

ACAREFUL examination of the list as published, together with the location of the banks, indicates that most of the new banks are private banks entering the corporate field.

CENTRAL NATIONAL of Buffalo publishes parallel columns at the foot of the page in its fifty-third statement-folder. One column shows the gradual increase of the dividend rate from 1905, when it was nothing, to 1912, when it is 12 per cent. The resources of the bank have traveled upwards at pretty nearly the same rate, so that the deposits in 1912 are \$2,358,000.

FIRST NATIONAL of Marquette, Mich., of which L. G. Kaufman is president, continues in a prosperous condition with deposits of over two millions.

ALITTLE over two years ago the American Trust Company was organized in St. Louis with a capital of one million. The deposits were slightly over a million. To-day the bank's reports show resources in excess of four millions and it boasts of fifteen thousand individual depositors. This is the intitution of which R. L. Rinaman became a vice-president after resigning the secretaryship of the Illinois Bankers Association.

THE handsomest statement folder sent out at the last call comes from the Chatham and Phenix National of New York. President Kaufman ought to be very proud in showing upwards of twenty-one millions in deposits in the brief time that he has been in
(Continued on page 31)



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A. O. WILCOX, Mgr. Foreign Exchange Dept.	

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Invites the accounts of banks and bankers

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FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE

CAPITAL : \$3,000,000.00
SURPLUS : 5,000,000.00
UNDIV. PROF. 750,000.00

NATIONAL
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OF CHICAGO, ILLINOIS

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LETTERS OF CREDIT ISSUED

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VOLUME XXXII

CHICAGO, MAY 4, 1912

NUMBER 18

Banking Conditions in New Jersey

President H. H. Pond at the Atlantic City convention advocates closer supervision and more rigid enforcement of the laws as the only safeguards. Touches upon check collection charges

It is a great pleasure to welcome you to this our ninth annual convention, and very gratifying to note the interest that the bankers of New Jersey take in their association. On every hand I have found our members enthusiastic in their work and eager to consider all subjects that would tend to raise the standard of efficiency and insure to their depositors and stockholders the greatest degree of safety. This is as it should be, for this association is your association and the banking of this state will be just what you make it—conservative or otherwise. The fact that the whole tenor of the replies received to my letters of inquiry regarding subjects for discussion at this convention was conservative, shows the present trend of thought and with such ideals, the banks of this state will take a place second to none among the banks of the country.

An effort has been made during the year just closed to bring into the association all the banks of the state, and your president begs to report a very satisfactory increase in membership, the details of which will be given in our secretary's report. If the bankers of the state who are not members of the association could realize the amount of hard work that it is doing in their interests and the substantial sum that they are saving every year through its activities, it is not reasonable to suppose that they would still withhold their membership.

One bank in the state has closed its doors since our last annual meeting, and that was a small national bank at Washington. A private banker operating a small branch at Perth Amboy has also failed. Neither, however, was a member of this association. These failures, I understand, were due to injudicious investments. It is to be regretted that even these small failures should have occurred during the year, for it is our desire that the management, examinations and supervision of the banks of this state shall be so thorough and searching that failure will be practically impossible.

Comptroller Murray in his last report says: "Sixty per cent of failures of national banks have been caused by violations of the National Bank Act; 23 per cent by injudicious banking; 13 per cent by shrinkage in valuations and general stringency in the money market; while 4 per cent resulted from the failure of large debtors and other minor causes." These figures would seem to indicate that greater care should be exercised in examinations. The assets of the banks should be more closely scrutinized, that evasions of the law might be uncovered and offenders punished for their wrongful acts before the banks get hopelessly involved. Comptroller Murray has inaugurated many new methods, which, I understand, have greatly improved his supervision and raised the standard of examinations. Before his advent, numerous banks were established by professional organizers for profit only, regardless of the fact of whether or not there was a need for them in the community in which they were to be located. This practice is undoubtedly responsible for a large proportion of the 60 per cent of failures referred to. I am glad to note that under the present comptroller more care is being exercised in this

matter and, in line with the stand taken on this question several years ago by our association, charters for new banks have been refused in many instances where the demand has not been apparent, and the organizers have not been men of good standing. When applications are made for the organization of state or national banks in a community which is already well supplied, it is the judgment of your president that closer relations should exist between the comptroller and the state banking department, so that when such applications are refused by one department, they will be rejected by the other also, unless there are very good reasons for granting them.

No failure has marred the good name of the state banks, savings banks and trust companies during the year, and I wish at this time to pay tribute to the well-managed banking department of this state, and to the thorough examinations made by its representatives. Like the present comptroller, our commissioner of banking is constantly improving his system, and it is to be hoped that his department may continue its efficient supervision.

Business conditions in the state for the past year have been fair. A dullness at times has existed in some lines of manufactures, but others have been comparatively well employed. New Jersey is fast increasing in importance as a manufacturing state, and this growing importance is due in a large measure to the variety of its manufactures. When some lines are dull others are busy, and thus the money of our banks and the workmen of our state are kept satisfactorily employed. According to the chief of the bureau of statistics, the annual amount of wages paid in the state of New Jersey is \$190,000,000. Distributed as it is among the wage earners of the state, this vast sum finds its way through the purses of the merchants, manufacturers, farmers, and others until it eventually comes back to the banks, and we all benefit in proportion to the prosperity of our community.

The agricultural conditions of our state have been good. In 1911 our farms produced nearly \$68,000,000, which is nearly \$4,000,000 more than was produced in 1910. This increase was due to higher prices, which more than made up for short crops. The rapid growth in the population of our state makes agriculture one of our greatest problems to-day. In this connection, it is interesting to note that New Jersey ranks forty-fifth in area, and eleventh in population among the states and territories.

Many things have occurred during the year to affect the business of the country. After the panic of 1907 we all suffered from a condition that was diagnosed as "undigested securities." The memory of that year is still fresh, and we are all familiar with the conditions leading up to and following the crisis. We also know that

since that time business has not recovered its normal condition, and that during the past year the country in general has suffered. This time the disease has not been "undigested securities" but, among other things, "undigested decisions." Probably nothing has ever excited a keener interest among investors and business men generally than the attitude of the government toward the large business enterprises commonly known as "trusts." Of the decisions rendered, the Standard Oil and Tobacco cases stand out most prominently. These decisions have made it clear that the great captains of industry, who seek to control the markets of the world by destroying or stifling competition will get little comfort from the courts. The vagueness of the decisions, however, leaves the business of some of the large corporations of the country in an unsettled state, and without the merits of each case being passed upon by the courts many corporations may offend the law. It is a source of regret that the large business interests of the country have been the only combinations that have suffered by the action of the courts, and while it is not my purpose to criticize the courts or to condone the wrongs done by unscrupulous combinations in oppressing the weaker members of society, to a layman the actions taken would seem to be savored by politics. We have yet to hear of any action being brought to dissolve labor combinations through whose acts depredations have been committed and lives taken. Whether these matters are considered in the light of the votes represented or justice is for those to answer whose duty it is to enforce the law. I believe, of course, that it is possible to have legitimate labor organizations, as well as honest industrial combinations, and that both are desirable in the present stage of industrial development.

Undoubtedly the most important proposed legislation affecting the banking and business interests of the country that is now before us is the Aldrich Bill for the establishment of the National Reserve Association. This matter is one of such great moment that it should receive the thoughtful consideration of all. As the subject has already been considered at this convention, I will not take time now for its further discussion.

We have witnessed during the year another step forward in co-operation among banks. One of the most gratifying events in New York was the action taken by the New York Clearing House Association in providing for the admission of trust companies to full membership. Some companies have taken advantage of the privilege granted so that New York is stronger financially to-day than ever before. Another important advance made by the clearing house banks of New York is the appointment of the clearing house bank examiner to examine and report the condition of its members. This policy has been in vogue in some other financial centers, and has been found to be a tower of strength to clearing house associations. In this connection, your president believes that the group system of examinations, as adopted by Group 1 of this association, is a move in the right direction and that other sections would be benefited by fol-

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lowing their example. I would, therefore, urge the formation of other groups.

The cost of collecting checks is a matter that is of considerable importance to all banks, for within the last few years the charges for exchange made by banks in certain localities have become excessive, with the result that reserve banks located in our principal collection centers have been forced to meet the costs by either charging exchange or deferring interest for a sufficient time to cover. It is not reasonable to expect that our reserve agents should collect our items payable at a distance and immediately give us interest credit, neither is it reasonable that the charge for exchange should fall upon the banks. This burden should be borne by the person making remittance, for he should make settlement in funds available at the place of payment or pay the exchange costs.

The New York clearing house thirteen years ago, finding the collection of country checks a great burden and expense, adopted certain fixed charges for all but a few discretionary par points. The result has been that New York, while relieved of the great expense necessary in the handling of this business, has lost a very large amount of deposits, estimated at \$200,000,000. I am informed that the New York exchange charges have also been the means of causing the exchange rates on remittances of New York funds made by other financial centers to be materially increased.

A committee of the New York clearing house has recently been appointed to again consider this matter with a view of recommending such changes, if any, as they deem desirable. The Connecticut bankers about a year ago submitted a proposition to pay in New York funds at par on date of receipt for all Connecticut items sent by the New York banks through the New York clearing house or any central agency that they might designate, directly to the clearing house in Connecticut cities having a clearing house, or to one bank in a town or city where there might be more than one bank, but no clearing house, these clearing houses and banks to make the collections for the city or town in which they are located. A collection method of this kind would enable New York to make direct collection, and, at the same time, to receive payment two days earlier than would be possible if the items were collected through their par points. It would also do away with the large amounts of detail work now performed by many New York banks for their Connecticut correspondents in cashing customers' checks made payable in New York.

New Jersey, located as it is on the threshold of both Philadelphia and New York, should be

in a position to offer desirable terms for the payment of its items and should arrange, if possible, to have all New Jersey items accepted at par. I am advised by Mr. Cannon, chairman of the committee on inland exchange of the New York clearing house, that they contemplate holding hearings from time to time and that it would afford them pleasure to receive a committee from the New Jersey Bankers Association to discuss the question, should we desire to appear before them. I would, therefore, suggest that a committee of five be appointed to consider the matter, and to represent our association before the New York clearing house committee, and make recommendations to this association.

The American Bankers Association about ten years ago recognized the demand of the young bank clerks for study and appropriated a few thousand dollars for the organization of the Institute of Banking. The hopes of the organizers have been more than realized, and the Institute is destined to become the most important branch of the American Bankers Association. The bank clerks of the past have to only a limited degree realized the possibilities of the future through the Institute, but now not only the clerks but the present officers are recognizing the fact that the future officers are to be found among its members. Thirteen thousand clerks are now eagerly en-

gaged in the study of all methods pertaining to banking, and it is no idle dream to predict that the future officers of our institutions will be better qualified than those of the past to meet the emergencies of the times. Statistics show that 760 executive positions in our banks are now being filled by Institute men. Any bank clerk may join the chapter in or near the city in which he lives by making application, and paying a small amount of dues. If it is not convenient for clerks living at a distance from a chapter to attend its meetings, a correspondence course is provided, which furnishes all the instruction. This course may be studied at home and after examinations have been passed a certificate is granted. In this way all may avail themselves of the privileges of the Institute, the object of which is not to create officers for our banks but to make the clerks more proficient, and it necessarily follows that efficient clerks stand in line for promotion. Nearly one thousand clerks will, in all probability, graduate this year. It, therefore, behooves those wishing to advance to take advantage of the opportunity for study offered by the Institute, and it is our duty, as bank officers, to give them our encouragement along this line.

I wish to take this opportunity of expressing to our members my appreciation of their cordial co-operation, and to thank our secretary and executive committee for their support, as well as for their efforts in advancing the interests of this association.

MEETING OF GROUP 6, KENTUCKY

The fourth annual meeting of Group 6, Kentucky Bankers Association, will be held in Covington May 9th. Shelley D. Rouse, representing the First National Bank of Covington, will make the address of welcome. The response will be made by Rev. E. C. Riley, vice-president of the Peoples Deposit Bank of Burlington. Other addresses will be made by J. L. Vest, vice-president of the Equitable Bank Trust Company, of Walton on "The Bank and the Customs"; J. K. Waller, of Morganfield, president of the Kentucky Bankers Association; Judge E. S. Clark, president of the Citizens Bank, Falmouth, on "Real Estate Loans"; A. M. Larkin, cashier German National Bank, Newport, "Married Women as Sureties," and P. N. Winn, president Central Savings Bank and Trust Company, on "Co-operation of Banks." D. B. Wallace, of Walton, is president, and F. J. Hermes, of this city, secretary of the association. The banquet will be held at the Fort Mitchell Club.

Rinhard Brown has been elected cashier of the Citizens State Bank, Clyde, Montana.

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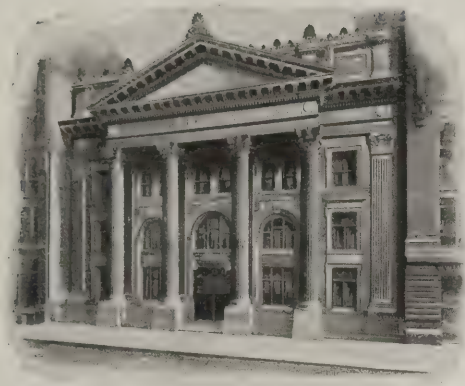
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Capital and Surplus

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Deposits

178,000,000



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John D. Everitt on Bonds as an Investment

A bond as we know it is a convenient form of a sub-division of the acknowledgment of a debt, so subdivided for the purpose of sale and distribution. In corporate issues, bonds are secured by a mortgage held by a trustee. In public issues, such as government, state, county and municipal, bonds are a pledge of the faith and credit of the government or municipality issuing the same, signed and sealed by the elected officers under warrant of law. The real point that banking officials should bear in mind is that a bond is created for the purpose of sale or distribution, and therefore it behooves the buyer to purchase with care, discretion and judgment.

As a rule, the times and conditions which would tempt most banking institutions, especially those known as discount banks, to purchase bonds are just the times when they should not do so. By that I mean, many banks do not consider the purchase of bonds until conditions are such that they have accumulated a fund of money which they have been unable to use in any other way, and as a rule their condition is the condition of many banks all over the country. The result is that the purchase of these securities is made under competition in an easy money market, and they are carried for a few months, and sold at a loss when money is needed for other purposes.

The savings bank laws in all our states, where we have the old-fashioned non-capital trustee management mutual savings banks, recognized the value and the necessity of bond investment. Such banks are allowed, under certain restrictions, to invest a proportion of their money in real estate mortgages, a proportion in government and municipal bonds and a further proportion in corporation bonds.

In our state the law governing such institutions provides how mortgage loans should be made, and then states that "not to exceed 80 per cent of the whole deposits shall be so loaned or invested," but there is no limit in the New Jersey law governing the proportion of investment of savings bank funds in bonds, either municipal or corporate, and it would

Head of the Orange (N. J.)
National in a splendid talk
to the New Jersey bankers
at the Atlantic City
convention

seem to have been the thought of the framers of the act that it was necessary for such banks to invest some portion of their deposits in bonds because they are more easily converted into cash than mortgages.

Of course it is well to bear in mind that almost invariably investments by savings institutions in bonds are made with the thought and purpose of holding them until maturity, which would rarely be the case of such investments in a bank of discount.

Recently an amendment to the savings bank law was passed in New York state providing for amortization of bonds which results in a gradual elimination of premium or discount in such a manner that the book value will be at

par at the time of maturity, and such institutions have been directed to make up their published reports with such valuations without regard to market value. This law was undoubtedly part of the effect of the terrible depreciation in the value of high-class securities during the financial troubles of 1907, and it seems to me the law is in effect a theory to meet a condition because the value of bonds in the hands of a financial institution is their selling or market value.

For banks of discount it hardly is conceivable that a better investment could be obtained at all times than short term bonds, or bonds shortly to mature. With intelligent care such bonds may be picked up, the interest return as a rule being affected by the value of money at the time of the investment.

Long term bonds are an attractive purchase in times of depression or high interest rates, but unfortunately few banks can then be in the market. The possible misfortune which some banks have had through investment in bonds has been caused largely by the ownership of long term securities over a period of a wide change in the prevailing value of money, such a change affecting to a large degree the market value of the bonds.

Within ten years many of our municipalities and corporations have sold long term bonds in this state to net the investor considerably less than 3½, while now those same securities can be purchased to net over 4 per cent. When one realizes that in a fifty-year bond the difference between a 3½ income and a 4 per cent income involves a difference in valuation of the security of over 10 per cent, you can readily realize what a change in the value of money would really mean on securities of such a length purchased either in an era of very cheap or in an era of very dear money.

The possible profit in the purchase of long-term bonds in times of depression, and held till a return of normal conditions is enormous, but all such investments should be made under good advice, and not as a happen-so. Some people purchase bonds after the style of the boy who jumped on a bull's back and

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was run away with. As the bull came thundering through the village street someone called out, "Hey, Bub, where are you going?" He cried, "I don't know; ask the bull."

A fair form of a mild speculation is offered to banks in what is known as a bond with a convertible privilege, which, when intelligently bought, will show handsome profits. The terms of conversion, however, should be well considered, as the possible advance in value is speculative, being dependent upon the market fluctuation of the privilege.

The so-called collateral trust bonds of a decade ago have become somewhat unpopular, and are not so common as heretofore. They were the result of consolidation and under proper conditions are warranted and almost necessary to accomplish the bringing together of corporate properties.

The greatest objection to municipal, county, town, borough or village bonds in our state is the lack of a constitutional limitation of debt as exists in many states and each issue of bonds is made under a general law which can be used by each and every such municipal body in the state. The result is that every session of the legislature is requested to pass laws allowing bonds to be issued for one purpose or another, which can and might be made use of by ambitious officials all over the state. New York has a constitutional municipal debt limitation of 10 per cent, and it has been of great value to the tax payers, and a bulwark to the bond buyer.

In many states this limitation is even less, and the effect of such limitation to bond buyers is to create a feeling that there is a brake on the wheels of the printing press, which will automatically retard the creation of new issues.

In corporation bond issues this condition is somewhat approached when we know that a block of bonds is part of an issue secured by a closed mortgage so that the fountain head cannot create a flood even if prices are inflated beyond reason.

In buying bonds three things must be considered. First, safety of principal. Second,

marketability of the issue. And third, rate of interest or interest return at the price purchased. The three conditions are so interlaced that all must apply to bonds to be considered by banking institutions. To meet these conditions it is not necessary that a quotation should be served each day at breakfast in your morning paper, but you should have an idea of what would become of the bonds in case you desire to dispose of them. Therefore, while bonds are created to sell, that fact adds to their value in your hands if advantageously purchased, as they should have a distributing value to you either for sale or hypothecation and their quick asset qualification should never be lost sight of.

CALIFORNIA BANKERS AT LONG BEACH

Secretary Frederick H. Colburn of the California Bankers has sent out notice of his program and other arrangements made for the eighteenth annual convention to be held this year at Long Beach, one of the coast resorts near Los Angeles. The convention will be held Thursday, Friday and Saturday, May 23d, 24th and 25th, giving the bankers an opportunity to spend Sunday at one of the pleasantest of ocean resorts known to the Pacific coast. The headquarters will be at the Hotel Virginia, which is very large and which will afford accommodations for all who wish to attend. Mr. Colburn has a very businesslike way of securing and publishing a list of rates for rooms and other accommodations which ought to be very gratifying to his constituents. It so happens that a man who expects to pay \$4 or \$5 per day for a room

often gets a bill for \$10 or \$12 per day. This has happened in A. B. A. circles a number of times. At the prices named by Secretary Colburn the entire hotel will be at the disposal of the delegates.

The associated bankers of Long Beach have organized an entertainment committee under the chairmanship of P. E. Hatch of the National Bank of Long Beach. This committee has been divided into a section for entertainment, a subcommittee on boats and another on automobiles. The complete social program has not been arranged, but the indications are that it will surpass anything which has been pulled off recently in that corner of the state.

The speaking program will have for the principal part Prof. E. J. Wickson, dean of the College of Agriculture at the University of California. He is one of the best known specialists on the subject of agricultural education and development in the whole country. He fully understands also the close relationship existing at the present time between the farmer and the banker. Ex-Congressman D. E. McKinlay, at present in charge of the survey department of the port of San Francisco, will speak on the business possibilities of the Panama Canal, which he several times inspected as a member of a committee of congress. Charles H. Bentley, who is president of the California Fruit Cannery Association, will speak in advocacy of a sound banking system representing the northern California section of the National Citizens League. Some of the other contributions to the program will be "Clearing House Examination of Banks," by John W. Wilson, examiner Los Angeles Clearing House Association; "Crossed Checks," by R. M. Welch, vice-president Savings Union Bank and Trust Company, San Francisco; "School Savings Banks," by Frank C. Mortimer, cashier First National Bank, Berkeley; "Promoters and Bankers," by E. S. Wangenheim, president Bank of Newman; "Postal Savings Banks," by W. E. Benz, cashier First National Bank, Bakersfield; "The Deposit of Public Moneys

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in Banks," by H. S. McKee, president First National Bank of Long Beach. It is expected also that there will be talks by E. A. Brown of Sacramento; T. E. Connolly of Stockton and W. H. Doyle, president of the Arizona Bankers Association. A very important local subject which is to come up relates to the adoption of the group system, being the only instance in which the California association is behind the other advanced states. The convention also will decide upon the establishment of a trust and savings bank section. The railroad companies, knowing of the competition of the Pacific Navigation Company, have made a one and one-third rate fare for the round-trip. A boat has been chartered at San Francisco and probably will have one hundred passengers on the down-trip. Bankers going from the East will find it both enjoyable and profitable to make San Francisco in time to go down with the delegation to be landed directly at Long Beach.

PRIVATE CONVERTS TO STATE BANK

The Mercantile Trust and Savings Bank, which is being organized by F. H. Rawson, president of the Union Trust Company, will open for business about June 1st at the corner of Clinton Street and Jackson Boulevard. Later it will remove to the nineteenth floor of the Chicago, Burlington & Quincy Railway building, when the latter is completed, near the end of the year.

The Mercantile Trust will have a capital of \$250,000 and a paid-in surplus of \$37,500, or 15 per cent. The bank will take over a private bank known as the Mercantile Bank. This is owned by David B. Gann, and the estate of Edwin F. Brown. The private bank has about \$110,000 deposits.

CHICAGO CURRENCY SHIPMENTS

First National Bank's April currency shipments to the country were \$2,000,000, or \$200,000 increase over a year ago. Receipts were \$2,500,000 or \$200,000 decrease.

Money Situation

There has not been much change of late in the condition of money in the United States. Foreign money, however, is a little easier. Deposits in Chicago banks have passed the billion-dollar mark, the Continental and Commercial National leading all the other Chicago banks, with the First National a good second.

C. & E. I. INSTALLS NEW CAR ADAPTED TO NOVEL USES

Innovations for comfort in railroad travel are installed almost every day on the limited trains running between the larger cities of the United States; but decidedly the most interesting and of most real benefit to the traveling public is the new lounge-grill cars recently installed on the Chicago & Eastern Illinois Railroad. Imagine the most modern of club houses tastefully furnished and finished with all its conveniences and improvements in one spacious room. Library, writing desk, dining service, are always within easy reach, while speeding toward your destination at fifty miles an hour. Without moving from

your seat, you may reach an electric bell which will summon an attentive porter to grant your every wish. Midnight luncheon, cigars, coffee, mineral waters, almost anything desired can be had upon request.

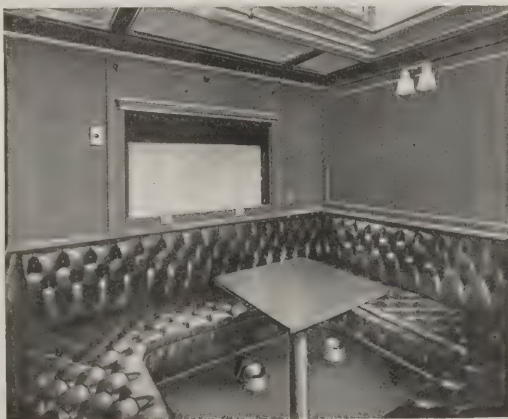
Perhaps the most remarkable feature of this new lounge-grill car service is the private compartments these cars contain. Here a party of six or eight may enjoy a game of bridge or a social evening in absolute privacy with the privilege of obtaining a midnight luncheon en route if desired.

The main salon of these cars comfortably accommodates about fifty people and is very spacious, owing to their extreme breadth, which is somewhat wider than that of the ordinary Pullman car. The cars are tastefully furnished in natural mahogany and the simple design is very pleasing to the eye. Owing to their great length these cars are extremely comfortable to ride in, as even when great speed is attained scarcely any jar is perceptible.

The services of these cars are cordially extended equally to ladies and gentlemen, and will be found on the Chicago-St. Louis special leaving from the La Salle Street Station daily at 11:40 P. M.

The C. & E. I. is daily adding new comforts for the benefit of its patrons, and their train service marks a new era in efficiency. The innovation of the lounge-grill car has created considerable sensation among the traveling public. It is doubtful if any car was ever invented which so meets the requirements of the traveler, and it is scarcely to be wondered at that this unprecedented service of the "Noiseless Route" should have met with such success.

W. T. Watson has resigned as assistant bank commissioner of Kansas. Considerable mystery surrounds the incident, which has occasioned much comment, and a long statement in a Topeka paper from Mr. Watson in which he illuminated the matter by saying that he quit because he wanted to,



PRIVATE COMPARTMENT ON C. & E. I. CAR



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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

The spring of 1912 has been an especially late one. Farmers were greatly delayed in sowing their oats during the latter part of March and the early part of April, by snow and ice, and during all of April there has been much rain and cold weather. Oats sowing was accomplished in many localities amid hardships, and corn land preparation has also been difficult. Hay is scarce and high, and only a small acreage for 1912 is reported. "Hay will be hay" this year, is reported in one down-state locality. Wheat has been almost a failure all over the state, hundreds of pieces being plowed up while occasional pieces look fairly well. The late spring has been hard on young pigs and spring colts and heavy losses among young live stock are claimed by farmers. Pasture is doing well owing to the many showers, and the parched conditions of pastures a year ago are unknown now. Gardens will also do well, and small fruits will be plentiful. With favorable weather hereafter, the handicap of the late spring will be largely overcome in the garden-spot of Illinois.

Land Swindler Arrested

Alleging that he was swindled out of money paid on contract, John R. Parke, representing fifteen Lincoln business and professional men, obtained the arrest of E. C. Chambers of Kansas City, head of the Chambers Land Company, and two agents. Two hundred acres of Florida everglade land, said to be "high and dry," it is alleged, was found to be under two feet of water. The men were taken from a train in Sangamon county. Complaints are being heard in many parts of the state about the doubtful value of land investments in various parts of the United States, which are held out to the purchaser as sound and conservative purchases.

Kewanee Bank to Have New Home

The Savings Bank of Kewanee is soon to enlarge and improve its banking room in such a way that the new quarters will be one of the finest banking rooms in the state. The bank will take over a room formerly occupied by a drug store, and will make this room a part of the banking space. A double room with abundant space will be the result. Established in 1902, the Savings Bank of Kewanee has built up a large business in that rapidly

growing manufacturing city. John Fischer is the president; Harrison Miner, vice-president; W. E. Gould, cashier; and S. D. Burge, assistant cashier. Its Chicago correspondent is the Continental and Commercial.

Bank Swindler Caught

Governor Deneen has issued a requisition on the governor of Ohio for the return to Chicago of J. L. Huston, who is under arrest in Cincinnati, and who is wanted on the charge of a confidence game. It is alleged that Huston on October 14, 1911, forged the endorsements of the Motz Tire and Rubber Company of Akron, Ohio, and of the Chicago Auto Wheel Company to a check for \$185, and secured that amount fraudulently from the Northern Trust Company of Chicago. The check was made to the order of the Motz Tire and Rubber Company by the Kuntz-Remmler Company, and drawn on the Continental and Commercial National Bank of Chicago.

New State Banks

The state auditor has issued a permit for the incorporation of the Normal State Bank in Normal, a suburban town lying adjacent to Bloomington. Normal is well known as an educational center, the oldest of the state's chain of normal training schools being located there. Graduates of this institution are to be found everywhere. Normal is also well known as a nursery center, and together with Bloomington has held an almost national reputation in this line. As a horse-raising center, and the home of well-known importers of fine

horses, Normal is also familiar to many farmer-bankers. The new bank is the second for the town, the other being the First National. In spite of its proximity to Bloomington with its seven large banks, the new institution will doubtless do a good business. The capital will be \$50,000, and all shares must be held by Normal people. One of the organizers, J. F. Shepard, has been associated with the First National of El Paso. Other incorporators are S. S. Boulton and Dorothy M. Glessing.

Remember the Group Dates

Down-state bankers are asked to remember the group dates. Group 6 meets at Tuscola, June 4th; Group 8 at Jacksonville, June 5th; Group 5 at La Salle, June 6th; Group 3 at Dixon, June 7th; Group 2 at Pekin, June 12th; Group 4 at Yorkville about June 14th.

Constant repeating is one method of establishing a fact in the mind, and Illinois bankers are urged to make their group meetings for 1912 strong meetings. Many of the group programs will have an agricultural flavor which is especially pleasing to Illinois banker-farmers.

DeWitt to Have Its First Bank

DeWitt, an interesting old village in DeWitt county near Clinton, established in the early thirties around a public square like the typical old southern village, is soon to have

F. E. FARRELL Established 1864 F. G. FARRELL & COMPANY, Bankers Successors to First National Bank JACKSONVILLE, ILL. ACCOUNTS AND COLLECTIONS SOLICITED	E. E. CRABTREE
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\$40,000,000.00



its first bank, a permit having been issued to James Sutton, James B. Dawson and Levi Babb to organize the State Bank of DeWitt with capital stock of \$25,000. DeWitt, in spite of its eighty years of interesting history, has not thrived as the other towns around. The railroad "missed" the old village, originally called Marion, almost a mile and consequently the town grew up to the tracks, making its area a mile in length, and only two streets wide. With good farming country around, the new bank in the old town will attract scores of farmers who heretofore have had to do their banking business in other communities.

Peoples Bank of Bloomington

The Peoples Bank, recently removed into one of the most completely equipped banking rooms in the state, and with a large and growing business with city people, and with out-of-town banks especially, is a firm believer in advertising for banks. Consequently, large space is taken in the Bloomington papers, and "nifty" ads calling attention to the many details of the bank's service to its customers appear regularly. The Peoples Bank of Bloomington is one of the best advertised banks in the state, and the business of the institution is growing. Advertising for banks has been a mooted question among bankers for years, but this bank seems to be a firm believer in the value of printers' ink. And it seems to pay.

Illinois Notes

B. F. Harris, president of the Illinois Bankers Association, is on the program of the Iowa Bankers convention to be held in Cedar Rapids, June 5th and 6th, and also on the program of the Kansas Bankers Association to be held in Topeka, May 23d and 24th. Mr. Harris will outline his views on bank supervision and agricultural development to the bankers of Iowa and Kansas.

The National Bank of Mattoon, a consolidation about a year ago of the First National of Mattoon and the Mattoon National,

and occupying a new and expensively equipped modern banking room, reports deposits of \$1,384,329.

The comptroller of the currency has been asked for a charter for the incorporation of the Rogers Park National Bank, in Chicago.

GUARANTY QUESTION IN WISCONSIN

Earle M. Pease, cashier of the First National Bank at Grand Rapids, Wis., has been in Chicago this week visiting among his banking friends. Mr. Pease is a member of the state committee on bank guaranty of deposits and insurance. The committee is composed of one member from each of the nine groups in the state, and is working hard to prepare and present such a bill as will meet the requirements of the state legislature. It is thought by the bankers of Wisconsin that they can retain control of the situation by meeting the legislators in a reasonable way; otherwise it is believed that the state legislature will "hand" the bankers a bill of their own device, which will make guaranty compulsory. Under

the present plan, as explained by Mr. Pease, and formerly alluded to in these columns by Secretary George D. Bartlett, the guaranty will be a voluntary matter with the bankers. At least two hundred must signify their willingness to go into the matter before it becomes effective. State Commissioner Kuolt has been urging that all bankers who can pass his examiners be admitted to the benefits of the guaranty and insurance without further examination. The bankers are inclined to insist, so Mr. Pease believes, upon their own right to examine and pass upon the applicant for insurance. It would, under the bankers' plan, require a vote of seven out of the nine directors (one from each group in the state) to turn down an application if the applicant has passed the state examination properly. Bankers believe that they ought to have some veto power, not so much on the technical standing of the bank as on the moral standing, perhaps, of the banker or promoter, as the case might be. They fear that undesirable bankers will undertake to benefit by the provisions of the law by having their deposits insured. Another question which "sticks" is the rate of interest to be paid by insured banks. The conservative element in the state believes that no bank which agrees to pay more than 3 per cent on deposits should have its deposits insured. The state commissioner and some others are said to advocate permitting insurance guaranty of 90 per cent of deposits on which more than 3 per cent interest is paid. It is altogether likely that some agreement will be arrived at and that the bankers of the state can present a bill which will be satisfactory to both political parties and to those members of the legislature who have been pledged to put the banks under a state guaranty law.

It is thought to be quite likely that the legislature will tack on a provision whereby state and other public funds cannot be deposited in banks which do not voluntarily go in under the law. This would not make the law compulsory, but it would have the effect of bringing in the necessary two hundred banks very promptly.

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BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

An event unique in bank annals and long to be remembered in Waukesha was the public reception tendered President Andrew J. Frame of the Waukesha National Bank by Waukesha citizens at Resthaven, Wednesday night. The event was in celebration of the pioneer banker's completion of fifty years constant service with the bank which he now heads.

The festivities began at 9 o'clock in the morning with open house at the bank which lasted until 5 o'clock in the afternoon. During the day it is estimated that 1,500 patrons of the bank and friends of its president called to pay him their respects, while several hundred letters and telegrams from all parts of the United States bore the best wishes of those unable to attend.

The public reception at night, arranged by a committee of thirty citizens of Waukesha, opened at 8 o'clock. After the arrival of a large delegation of Milwaukee bankers at 9 o'clock a short program of addresses was opened by the presentation of a gold loving-cup, the tribute of employees and directors of the Waukesha National Bank, to Mr. Frame. E. R. Estberg of the bank made the presentation.

Other speakers were Judge J. H. Jenkins, Milwaukee, Dr. W. O. Carrier, president of Carroll College, Waukesha, and Judge M. S. Griswold, Waukesha. Mayor H. W. Wilbur presided. Young women served luncheon and punch while a string orchestra supplemented

the huge banks of flowers presented by friends of the guest of honor in contributing to the festival spirit of the occasion. H. E. Blair, chairman of the citizens committee, and J. G. Gredler, cashier of the bank and secretary of the committee, were largely responsible for the success of the affair.

Members of the Milwaukee Bankers Club who went to Waukesha in a special car provided by Mr. Frame included Charles Kuhnmuensch, West Side Bank; A. H. Lindsay, Marine National; John E. Jones, H. J. Dreher, Marshall & Ilsley; A. W. Bogk, E. J. Hughes, William Bigelow, Fred T. Goll, First National; L. J. Petit, Lyman G. Bournique, I. D. Adler, Wisconsin National; P. R. Sanborn, W. N. Fitzgerald, Dr. C. E. Albright, C. G. Hinsdale, Northwestern Mutual Life Insurance Company, of which Mr. Frame is a director; W. L. Cheney, and Albert C. Elser, Second Ward Savings Bank.

Condition of Milwaukee Banks

The last statements of Milwaukee banks, issued on call of the state bank commissioner show a falling off of more than \$5,000,000 since February 20th in aggregate deposits, cash and total resources. The falling off is only normal, since the February figures were unusually high, owing to the large amount of public funds in the banks at that time of the year. At present the assets of the national banks in the city are a little more than \$70,000,000, a slight gain over the assets on hand

in December. Deposits, over \$55,000,000, are about the same as at the close of the year. Money is reported abundant in the country districts and Milwaukee bankers expect the stimulation noticeable in business throughout the state to reach Milwaukee now suffering under a general apathy.

J. T. Joyce in Milwaukee

J. T. Joyce, vice-president of the Union National Bank of Eau Claire, and president of the Wisconsin Bankers Association, visited Milwaukee on Wednesday to confer with Secretary George D. Bartlett and the committee of Milwaukee bankers relative to arrangements for the state convention to be held in Milwaukee in July 24th and 25th. The committee on arrangements consists of E. J. Hughes, First National; W. C. Post, National Exchange; E. A. Reddeman, Germania National; and Walter Kasten, Wisconsin National.

Milwaukee Man Honored

August H. Vogel, well known Milwaukee business man, has been honored with a place on the board of directors of the new national commercial organization to be known as the Chamber of Commerce of the United States of America. Mr. Vogel is one of the twenty-five business men from all parts of the United States selected to serve on the board. Walter P. Bishop, president of the chamber of commerce, was elected a member of the committee on organization. Milwaukee delegates at the



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

conference at Washington, out of which the national body originated, were August H. Vogel, F. A. W. Kieckhefer, A. T. VanScoy, Walter P. Bishop, D. F. Owen, and William George Bruce.

State Association Headquarters Changed

The headquarters of the state association and the Wisconsin Banker became infected with moving-day disease on May 1st, with the result that Secretary George D. Bartlett and Mortimer I. Stevens, publisher of the official organ, migrated to new headquarters in Room 502 of the Merrill building, forsaking the old familiar haunts on the third floor of the Caswell block to dust and chance misguided state bankers unaware that the spring disease has struck and carried off its victims.

May Purchase Bonds

Postmaster David C. Owen has announced that by applying on or before June 1, depositors of postal savings may exchange the whole or a part of their deposits for United States registered or coupon bonds in denominations of \$20, \$100, and \$500 bearing from July 1, 1912, at the rate of 2½ per cent per annum. According to a recent report from Washington there are now approximately 4,500 postal savings accounts in the 250 depositories in the state with an average of two deposits for each account since they were opened.

"Loan Shark" Campaign Practically Ended

With the conviction of E. L. Combes, Milwaukee, manager of the City Credit Company, of usury, District Attorney W. C. Zabel has announced that the campaign against loan sharks in Milwaukee is practically at an end, the managers of all brokers' offices in the city having lowered their interest rates to the figure required by law. This announcement was made following a careful survey of the field by the combined staffs of the district attorney and the sheriff, which revealed conditions vastly improved since the opening of the campaign in January.

Counterfeiters Plead Guilty

Peter and Hugo Musa, arrested in a raid upon their counterfeiting establishment several months ago, pleaded guilty to the charge of manufacturing bogus coins in United States district court this week, although sentence was deferred until next week. The men confessed to having turned out a large number of spurious coins and circulating them in Mil-

waukee and its suburbs. At the time the banks notified the federal officers of the appearance of the coins, although the latter worked upon the case for several weeks before tracing the counterfeiters to their establishment, and collecting sufficient proof for conviction.

Kuolt in Favor of Mutual Insurance of Deposits

In reference to the proposed plan of the Wisconsin Bankers Association for mutual insurance of deposits, State Bank Commissioner Kuolt announces that under the state law the proposed insurance company must have 200 policy holders. This means that nearly half of the 500 state banks must accept the proposition to permit putting it into effect. Mr. Kuolt is strongly in favor of the plan, saying that it will have a tendency to wipe out reckless banking by providing insurance only for those banks paying a safe interest rate. The plan insures in full deposits upon which 3 per cent interest is paid, and 90 per cent of deposits upon which 4 per cent is paid. A depositor promised more than 4 per cent assumes his own risk.

Wisconsin Notes

According to a report issued this week by the state factory commission a total of 56,000 Wisconsin laborers are now protected by the workmen's compensation act passed at the last session of the legislature. Acceptance of the provisions of the act, which is optional, has been made by 376 employers.

An index to improving business conditions throughout the country is noted in the order of the Chicago, Milwaukee & St. Paul Railway for \$8,000,000 worth of new equipment, most of which will be turned out in the shops of the company at West Milwaukee. The order includes ten Mallet engines, fifty Pacific passenger engines, and fifty Mikados. Twenty locomotives and 3,000 cars will be turned out at the Milwaukee shops.

Articles of incorporation of the Farmers State Bank of Minong have been approved by the state bank commissioner. Capital is \$10,000, and the incorporators are S. J. Keefe, L. C. Statier, and F. T. Jenks.

The First State Bank of Pound has been organized with a capital of \$20,000.

Group 7 of the Wisconsin Bankers Association will meet at La Crosse on May 16th. A

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J. H. TWEEDY, Jr.	R. N. McMYNN
GUSTAV RUESS	C. C. YAWKEY

W. Barney, Bank of Sparta. Sparta is president of the group, and E. J. Wiles, State Bank, Bangor, secretary-treasurer.

ALABAMA BANKERS AT MOBILE

Secretary McLane Tilton has sent out his formal program for the Mobile convention to be held May 17th and 18th. No change has been made in the lineup of speakers from that which was announced some time ago in THE CHICAGO BANKER. Every preparation is being made by the bankers of Mobile to give the visitors a fine reception, and the entertainment committee is working over time. Almost one entire session will be given over to agricultural subjects, and almost one other entire session will be devoted to the subject of bank supervision, at which the state banking commissioner and others will tell about the successful operation of the new banking law which has been in effect in Alabama for just one year.

BANKER MCCARTHY ACQUITTED

P. F. McCarthy, former South Side banker and real estate dealer, who has been on trial in the court of Judge John P. McGoorty on a charge of embezzlement and larceny as bailee, has been found not guilty. Judge McGoorty refused to allow the case to go to the jury. The state was unable to prove the charge in the indictment against McCarthy. Thomas White, 824 West Thirty-eighth Street, was the complaining witness against the defendant. It was charged that McCarthy embezzled \$1,500 on a mortgage which he collected on behalf of Mr. White. The defense set up by the banker was that the \$1,500 had been tendered to Mr. White, and that the latter refused to accept the same. The secretary of Mr. McCarthy also testified to this effect.

MEETING OF KNIGHTS OF PYTHIAS

The board of trustees and finance committee of the grand lodge of the Knights of Pythias convened in Chicago last week. Mayor Edward Guthrie of Mattoon, Ill., former cashier of the State Savings Bank at that place, represents the bankers on the board of trustees, and Walter H. Dey, assistant cashier of the banking house of C. H. C. Anderson at Carlinville, Ill., and August Weymeyer, teller at the Ricker National Bank at Quincy, represent the bankers on the finance committee.



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St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, May 2.—Some diversity of opinion exists as to the monetary situation and present status of general business. Certain bankers report quite a brisk demand, both locally and from the country, while others hold that things are rather apathetic. About an average between the extremes probably will accurately cover the situation. The backward season is holding down the agricultural needs, especially along the upper edge of the territory tributary to St. Louis. The continued rains are delaying seeding and planting, while temperatures are universally unseasonably low. On the whole, however, the outlook is good for crops, except in the flooded regions. The recent heavy rains have furnished an additional volume of water, which will prevent the Mississippi River returning to its natural course before the middle of May, while a week or ten days ago it was thought the large part of the lands would be free of water by the middle of April. Small crops will be more backward in the Middle West than has been the case for many years. Wholesale merchants here report a hopeful feeling, but the volume of buying to date is somewhat disappointing. Deposits with most of the leading banks are just about holding their own, while loans are said to be near the level recorded in the statement under the April 18th call. The complication in the political situation is causing unrest, and has a tendency to shake the returning confidence. This factor, however, is temporary, and it is confidently believed that after the conventions, regardless of their results, things will begin to work upward again.

Banks Council Meeting

It was stated at the Third National, that Chas. H. Huttig, president of that institution, who has been in New York for the past few months convalescing from an illness, will attend and preside at the meeting of the executive council of the American Bankers Association, to be held at Briarcliff, N. Y., on May 6th. In addition to Mr. Huttig the following Missourians will attend: F. H. Orr, St. Louis Union Trust Company; A. O. Wilson, State National, St. Louis; J. A. Lewis, National Bank of Commerce, St. Louis; William C. Harris, Callaway County Bank, Fulton; C. D. Hutchinson, Kansas City. A. A. Bowman of St. Louis will also attend in the interest of the proposed new investors' section of the national association. The St. Louis party Saturday night will join the Chicago members of the council. A special train from Chicago will convey them to Briarcliff.

Banks in Strong Position

The call of the comptroller of the currency

for statements at the close of business on April 18th found St. Louis financial institutions in an extremely strong and healthy condition. In banking circles here great satisfaction is expressed at the showing made, which not only demonstrates the solidity of St. Louis financially, but indicates better general business and prospects for increased activity in the near future. Loans and discounts totaled \$241,117,663, an increase of \$9,012,294 as compared with the last previous statement on February 20, 1912. Deposits reached near the high water mark, \$324,710,206, a decrease under the February figures of \$2,399,866. The loss in deposits is made up almost entirely of withdrawals by country banks, especially in the South and Southwest, city accounts showing little fluctuation. An increase of \$36,385 was shown in surplus and profits, which, recent low rates considered, is thought to be quite as good as could have been expected. Circulation decreased \$13,000, and there was no change in the capital item. Total resources were \$427,211,843, indicating a decrease of \$2,397,080 as compared with February 20th.

Stockholders Want Receiver

Suit has been filed in the circuit court by seventeen stockholders of the Federal Trust Company asking for a receiver. The petition alleges that assets of the company have been wasted, and that certain officers conducted the business for their own personal benefit rather than that of all stockholders. One of the allegations is that Charles B. Thomas, president of the company, in 1910 induced Joseph Turley and R. D. Smith to purchase the Henrietta coal mines in Illinois, and then sold the mines to the trust company. The profit was divided among the three men, it is alleged. The petition recites that the money for the original purchase was obtained from the treasury of the trust company. It is set forth that the mines were in poor physical condition, and have been operated at a great loss to the com-

pany. The plaintiffs state that last January the company entered into voluntary liquidation, and a committee was appointed to wind up its affairs. It is alleged that large salaries are being paid to the agents settling the affairs, and that the assets are in danger of further waste.

Ball Heads Bank Clerks

Frank C. Ball, chief clerk of the savings deposit department of the Mississippi Valley Trust Company, was elected president of the St. Louis Chapter of the American Institute of Banking at the annual election of that body. The other officers elected are: H. C. Claudy, Franklin Bank, vice-president, and J. E. Uhrig, secretary and treasurer. The board of governors consists of R. W. Bugbee, Mississippi Valley Trust Company; F. L. Denby, St. Louis Union Trust Company; John J. Sherer, Central National. Fourteen delegates were also elected to attend the national convention in Salt Lake City in August. The chapter will give its annual banquet at the Planters Hotel on May 9th. Walker Hill, president of the Mechanics-American National, will preside as toastmaster. Attorney-General Elliot W. Major of Missouri, Frederick N. Judson, and George A. Mahon of Hannibal will be the principal speakers.

Protests Tax Levy

The Forest Trust Company is not satisfied with its assessment for taxation. It has applied to the circuit court for a writ of certiorari to compel Christian Brinkop, president of the board of assessors, and City Collector Edmond Koelin to certify to the court for revival of the assessment of its property. The capital stock of the company is \$100,000. It is customary to assess banks and trust companies at 55 per cent of their capital, and the district assessor, it is said, assessed the institution at its full capitalization.

To Administer Hays' Estate

A telegram requesting the St. Louis Union Trust Company to administer on the Missouri estate of Charles M. Hays, former president of the Grand Trunk Railway of Canada, who was a victim of the Titanic disaster, was produced by the trust company in the probate court, when it filed on the estate. A copy of Mr. Hays' will, forwarded by mail, had not yet arrived.

Yeggs Begin Spring Activity

The usual spring activity among the yegg brethren in the Southwest has commenced. Reports of numerous robberies and attempted robberies are at hand. The most daring of these was committed at Midland, Ark., where

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

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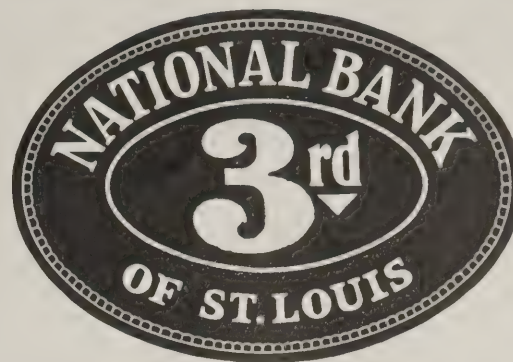


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SURPLUS
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DEPOSITS
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CHICAGO, ILL.

the Bank of Midland was entered in regulation fashion and denuded of about \$8,000 in money. After looting the institution the robbers fired the building, and destroyed considerably greater value than they stole. Valuable records and papers of various kinds were destroyed.

Purchase Montana Securities

St. Louis bankers and financiers have purchased upwards of \$600,000 of the new \$600,000 mortgage bonds of the Great Falls Power Company, which operates on the Missouri River at Great Falls, Montana. The sale was made through John Nickerson, Jr., for the Guaranty Trust Company of New York.

Missouri Fire Loss in 1911

Advance sheets of the annual report of the Missouri state superintendent of insurance, just published, show the fire losses of Missouri in 1911 to be 76 per cent of the premiums received by the fire insurance companies. Total premiums were \$8,363,290, and losses \$6,397,513. Eighty per cent of the total premiums were paid by St. Louisans, \$3,044,012, and they received on losses \$2,487,044. The 1911 figures indicate heavier losses, which may cause the fire companies to attempt to increase the rates on certain risks.

Off to Texas Convention

St. Louis will be well represented at the annual convention of the Texas Bankers Association, to be held in San Antonio on May 6th. The St. Louis party departs on Saturday evening over the M., K. & T. Most of its members plan to return through Tulsa, Okla., to attend the Oklahoma Bankers convention May 10th and 11th. Among the St. Louisans making the trip are: W. F.

Wrieden, National Bank of Commerce; Harold Beggs and E. C. Stewart, Third National; George M. Trumbo, Mechanics-American National; I. L. Jones, Mercantile National; H. C. Hilliard and T. C. Tupper, Central National.

E. A. Groover has been elected president of the Peoples Bank of Jacksonville, Fla., succeeding D. J. Herrin.



B. H. MINCH
 Bridgeton, N. J.
 Treasurer New Jersey Bankers Association

OUT-OF-TOWN VISITORS

Among Chicago's recent out-of-town visitors are C. F. Enright, banker and railroad financier of St. Joseph, Mo. Mr. Enright reports business and crop conditions of St. Joseph and vicinity as very promising; N. F. Thompson, president of the Manufacturers Bank at Rockford, Ill.; Harry Yager, national bank examiner for Montana, spent several days in the city last week. Mr. Yager has just returned from a trip to Washington, D. C., and seems to be enjoying his work as a bank examiner; John T. Osborn, president Citizens National Bank, Corinth, Miss.

INDIANA BANKERS BANQUET AT LEBANON

Officers, directors and employees of all the banking institutions of Boone county, Indiana, were entertained on Wednesday of this week at a banquet by the banks and trust companies of Lebanon. The banquet was held at the Clute Hotel at 7:30 o'clock. Andrew Smith, secretary of the Indiana Bankers Association, together with Dick Miller, who is connected with a prominent bond house in Indianapolis, were the principal speakers. S. N. Cragun officiated as toastmaster, and there were several speeches by representatives of the banking institutions of Boone county. The affair proved to be quite enjoyable for all those present. The following bankers served on the arrangements committee: William J. DeVol of the First National Bank; William T. Hooton of the Citizens Loan and Trust Company; John Wade of the Farmers State Bank; Morris E. Richie of the Boone County State Bank; and M. C. Long of the Union Trust Company.

Editorial Comment

NEW JERSEY BANKING CONDITIONS

The ninth annual convention of the New Jersey Bankers Association drew a large attendance to the Atlantic City meeting, and a fine speaking program met all of their requirements in that direction. President H. H. Pond, who is secretary of the Plainfield Trust Company, in his annual address told of the extreme efforts put forth by the administration to bring all of the banking institutions of the state into membership, and that while the plan did not ultimately succeed, there has been a large increase. President Pond believes, along with all other organization bankers, that if the bankers who are not members could realize the work that is being done in their interest, and the benefits which accrue from membership in the association they all would join promptly. New Jersey has had a profitable year in banking, with only one small failure of a national bank at Washington. There was a private banker operating a branch at Perth Amboy who failed but neither was a member of the association. President Pond gave it as his opinion that both failures were caused by injudicious investment, and lack of technical education in banking. He took these failures as a text, backed up by a liberal extract from Comptroller Murray, quoting the comptroller as saying that fully "60 per cent of the failures of national banks have been caused by violations of the national banking act; 23 per cent by injudicious banking; 13 per cent by shrinkage in values and general stringency in the money market." The comptroller and President Pond agree that not over 4 per cent of the bank failures are brought about by the failure of large creditors, which idea in the main is the one that the public has of what causes a bank to fail. From these premises President Pond argued in favor of greater care in examinations and asserted that the assets of the banks should themselves be scrutinized closely, that all evasions of the law might be uncovered and the offenders punished. Like all other good bankers, Mr. Pond is in full accord with the comptroller's office in its efforts to put the professional bank organizer out of business. He believes that the banking wants of any community will be followed usually by the organization of a bank by legitimate banking interests. The New Jersey president also believes in restricting the issue of state charters where the banking field already is well occupied. New Jersey is very proud of her state banks, and not a failure was recorded during the year.

Agriculture has been attracting considerable attention among the New Jersey bankers, and western bankers will be amazed to learn that New Jersey farms in 1911 produced nearly sixty-eight millions, an increase of four millions over the production of 1910. This partly is accounted for by higher prices, and partly by

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

better farming conditions, which the banking fraternity has encouraged. President Pond believes that one of the most favorable signs of the times in the banking world was the taking into the clearing house of the New York trust companies, and the appointment of a clearing house bank examiner such as has been maintained in Chicago, and other large cities for a number of years. President Pond charged openly that New York clearing house banks have lost two hundred millions in deposits owing to their system of charges for collecting checks. He went into the general subject of charges for clearings in a manner which will justify every reader of this paper in making a close study of his address, which is printed in another column of this issue.

AFTER "BLUE SKY" FRATERNITY IN TEXAS

B. L. Gill, state banking commissioner for Texas, also is commissioner of insurance. He has been a great student of every reform movement in the country and became a convert almost instantly to the "Blue Sky" doctrine so expeditiously enacted into law in Kansas under the skillful manipulation of Commissioner J. N. Dolley. There is no doubt that when the exodus took place from Kansas many salesmen of worthless securities and promoters of fake companies headed direct for Texas. They did not even stop in Oklahoma owing to certain legal restrictions upon the restricted latitude of operations in that state. It would be a good thing, perhaps, for every banking commissioner, for a few years at least, to occupy a position of influence such as is occupied by Commissioner Dolley in his state. He is chairman of the republican state central committee, and thus the things which he recommends as banking commissioner are very likely to receive his support as state chairman, and through him, the support of practically all of his active political adherents. This is why he can have laws passed or amended almost at will. Of course, the things which he asks for ought to be done—that is taken for granted.

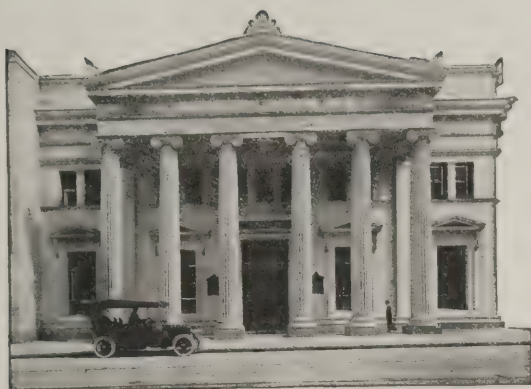
No less than a dozen fake insurance companies began to be agitated in Texas immediately after the "Blue Sky" law went into operation in Kansas. Commissioner Gill has issued a public statement which includes one

of their subscription circulars, and which certainly provides for the promoter, first, last and all the time. The subscriber agrees first to pay "Fifty dollars in cash on each share, with this subscription, fifty dollars per share, in two months, and the balance, or Capital Portion, in four months from the date hereof." The subscriber further agrees that if he fail to make further payments the previous payments shall be considered as "liquidated damages." This leaves the subscriber the option of completing the payment of \$100 per share towards a company in which a surplus has not been provided for, or he can permit the promoters to keep his first hundred dollars as "liquidated damages" for their services in taking it away from him. Commissioner Gill is of the opinion that the first hundred dollars paid never gets beyond the promoter and his confederates.

It is not likely that any average business man would sign such a subscription certificate if he examined it carefully or if it were offered to him without a promise on the side that he would be made a member of the board of directors and in touch with, and in control of, "millions of money." What Mr. Gill wants is to have his state pass a law similar to the one in Kansas, or at least as good a one as is in force in Oklahoma. That would put him in a position to run these gangs of crooks out of his state. He has heard about the proposal to have such a law passed in Illinois and other northern states and is a great believer in the system. He predicts that in every state where such legislation is attempted powerful lobbies will be assembled and a hard fight made to beat it. He says that almost every mail brings him complaints of people who have been victimized in Texas. He has started a campaign of publicity on the subject, which will help some. The commissioner is not over sanguine that such a law as he desires can pass, but is intending to make a valiant effort in that direction. Col. Gill's many admirers keep talking about him as a candidate for governor. It would be a fine thing for Texas, or for any state, to have such a capable, well-intentioned man in the executive chair.

THE INCONSISTENCY OF THE COLONEL

The manifold inconsistencies of Theodore Roosevelt readily are apparent by an examination of his conduct and political speeches in his frenzied effort to seat himself in the presidential chair for the third time. Upon his election to the presidency in 1904 by an overwhelming vote, he announced that under no circumstances would he again be a candidate for or accept another nomination. A number of months ago, President Taft announced that, like most of his predecessors, he would welcome an endorsement of his administration by



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

is justly proud of the record it has made in forty years of service to the public. A steady but conservative growth during this time has placed it in the first position in its territory with a capital and surplus of \$5,000,000.00. In addition to strengthening its own resources it has paid to its stockholders

Five Million Dollars in Dividends

which is an average of over eight per cent annually since organization.

ACCOUNTS OF BANKS IN ITS TERRITORY ARE DESIRED

a re-election. At that time Mr. Roosevelt let it be known that he did not seek the presidency again. He said that he would regard his nomination "as a calamity and undesirable from every standpoint." The Colonel at least, is to be given credit for knowing in his own heart the real truth of the matter. He now comes out and assumes an attitude directly antipodal to that which he formerly took.

He says that the President is allied with the bosses, and that a vote for him means a vote for the bosses and the moneyed interests. Curiously enough, he neglects to refer to his own association with William Flinn of Pittsburgh, by means of which there is being restored to power in that city one of the cleverest municipal bosses in the history of Pennsylvania. He also fails to state that he is receiving the support of Walter Brown in Ohio, one of the most potential factors in machine politics in the Buckeye state; nor is any mention made by the Colonel of his alliance with William Ward of New York and Messrs. Perkins, Aldrich, Cannon, Penrose, Quay, Platt, Foraker, and other prominent and influential politicians.

At the time President Taft was engaged in the work of advocating reciprocity with Canada, he asked Mr. Roosevelt's judgment as to the soundness of the proposed measure. He received a letter from the ex-president commending his course in the matter. Mr. Roosevelt stated that he believed it to be admirable from every standpoint; that he firmly believed in free trade with Canada for both economic and political reasons; that he believed the President was amply justified in his platform. Now Mr. Roosevelt has come out and stated that he is opposed to such a measure. In his recent campaign in Illinois, when speaking to the farmer element, he reiterated this. This but further exemplifies the fact that he is what is known as a "grand stand player." He is ready and willing at all times to advocate and support any proposition which he believes will enhance his popularity with any particular class. Emerson once said, "consistency is the hobgoblin of little minds." No doubt Mr. Roosevelt is sufficiently broad-minded to occupy Emerson's point of view.

Mr. Roosevelt charges that the President is receiving financial aid from the big corporations, and the political bosses in the conduct

of his campaign for renomination. Under the publicity law (once opposed by the ex-President), it has developed that Roosevelt's New York City campaign cost in the neighborhood of \$60,000, of which \$45,000 were contributed by Mr. Perkins, Morgan's former partner, director in the steel trust and organizer of the harvester trust; Frank A. Munsey, also connected with the steel trust pool, and Alexander S. Cochran, a director of the Northern Pacific Railway. In return for this large expenditure the Colonel secured seven delegates at a cost of more than \$8,000 each, and about 15,000 votes at a cost of \$4 each. Then he has the audacity to come out and say that President Taft's victory in New York is attributable to fraud in the conduct of the primaries. In Oklahoma as high as \$75 has been paid for a single vote. In Arkansas the law is evaded by paying "wages" to the workers; in Pittsburgh \$100,000 were used in the form of certificates amounting to \$5 each, which were cashed by "messengers" upon presentation at Roosevelt headquarters. It is said that about \$500,000 were spent in this way in the state of Pennsylvania. In Missouri and Oklahoma special trains of negroes—and sometimes of whites—were run to district conventions in an effort to further the interests of Mr. Roosevelt. The ex-president always pretends to be fighting machine politics, and to be championing the rights of the people. He always is making a loud clamor about being on the square with the people; yet, in his frantic ef-

fort to secure the presidential nomination he resorts to the very methods he so caustically denounces. He is trying to subserve the interests of both the people and the bosses by openly avowing his advocacy of the right of the people to rule, and secretly accepting campaign contributions from the moneyed interests.

NEW LEGISLATION IN NEW YORK

Two very important bills recently have been passed by the New York legislature. The passage of these bills is considered another victory for the American Bankers Association in its campaign for uniform banking laws. The two measures are known as "the Pollock bills," the first of which provides that any person who shall wilfully make a false statement regarding the financial status of himself, any firm or corporation for the procurement of credit or other advantage shall be considered guilty of grand larceny in the first degree, the penalty provided being a fine of \$1,000 or imprisonment for one year, or both. The second bill provides that any person guilty of the alteration of any books of account with the intent to defraud creditors shall be deemed guilty of forgery, in the third degree. The act, however, does not apply to any bookkeeper or clerk who shall make such alteration at the direction of his employer. The latter act is an amendment to the forgery act so as to make it applicable to guilty employers as well as to guilty employees. It also was passed to cope with the situation presented by the case of People vs. Isaacson, decided in the appellate division, in which it was held that while an employee who falsified books was guilty of forgery, an employer who ordered them falsified was not guilty.

CINCINNATI BANKS

The thirty-one state banks and trust companies in Cincinnati, at the close of business April 18th, had total reserves of \$11,608,769, which is \$2,938,358 more than the legal requirement. If these banks were to merge on the basis of their present capital, surplus and undivided profits the stock of the combination would have a book value of \$223.50 per share of \$100 par.

The State Bank of Rock Valley, Iowa, has increased its capital stock from \$25,000 to \$35,000.



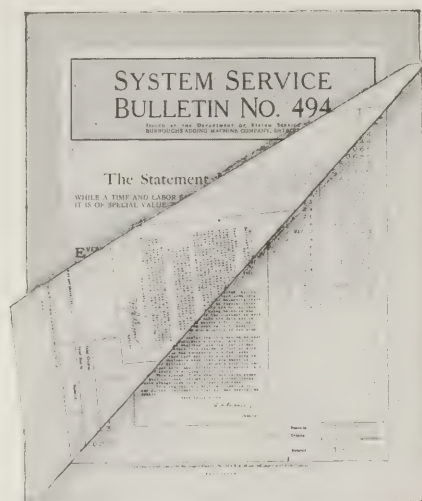
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A Free Copy for every Banker

Five Hartford Banks Don't Balance Pass Books

We have issued a "Systems Bulletin" which tells how five Hartford, Conn., banks have discontinued the very troublesome balancing of customers' pass books.

All of these banks, and a great many more in other cities, have adopted the statement system. Instead of waiting for all their customers to dump a great stack of pass books on top of a big day's work, they send statements at their convenience to all customers.

Mr. A. H. Cooley, of the Security Company of Hartford, who wrote the new Bulletin, says the pass book is the bane of the bookkeeping department.

He shows how the statement system solves the problem.

Bank men have found customers negligent about leaving their pass books but quick to see the advantages of the statement system, because they can always have deposits properly entered in their pass books, and for the very human reason that men like to *keep* their receipts.

A copy of this Bulletin will be furnished without charge to every bank asking for it. Just ask for Systems Bulletin No. 494, or "The Bulletin on Bank Statements."

Burroughs Adding Machine Company
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WONDERLANDS OF AMERICAN WEST

The three great national play-grounds—the Yellowstone, the Yosemite, and the Grand Canyon—are set forth in color and in text almost as bright, in the new "Three Wonderlands of the American West," by Thomas D. Murphy, author of "British Highways and Byways," and "In Unfamiliar England." There are sixteen reproductions in color of Thomas Moran's famous paintings, twoscore duogravures, and maps of the three great parks.

In this volume Mr. Murphy turns to our own country, and both text and pictures tell a story that may well engage the attention of any one interested in the beauty and grandeur of natural scenery. The book will come as a revelation to many who have had a vague notion that possibly there may be something worth seeing in America—after one has "done" Europe. The author himself admits of such skepticism before he made the tour described in the book. He says, "I found myself wondering if there could be such an

enchanted land as Mr. Moran portrays—such a land of weird mountains, crystal cataracts, and emerald rivers, all glowing with a riot of coloring that seems more like an iridescent dream than a sober reality."

A tour through the three wonderlands gives the answer—neither pen nor picture has ever told half the story. The illustrations from paintings by Moran come nearer, perhaps, than anything excepting a personal visit in presenting to the eyes the true grandeur of the wonderlands described; and these are supplemented by splendid photographs, reproduced and printed in a rich shade of brown. These features make the book one of the most notable ever coming from the American press, and it will serve the purpose of a guide to intending visitors, as well as a beautiful and appropriate souvenir for those who have visited one or all of the wonderlands so graphically portrayed.

L. C. Page & Co., Boston, who make a specialty of books of travel, are the publishers and the press work, and binding are superb. The price is but \$3.00 net for a book which,

if sold by subscription methods, would cost ten dollars. Every loyal American should have a copy of this revelation in American scenery, this proof that he who has not seen America first has little business abroad, and is unequipped for comparisons.

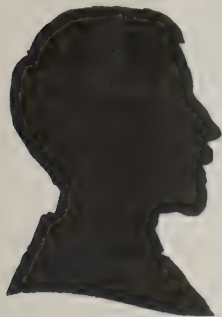
RECENT VISITORS

C. S. Jobs, president of the Security National, Kansas City, Mo.; William Ontjes, cashier of the Sioux Falls (S. D.) Savings. Mr. Ontjes formerly was vice-president and cashier of the American Exchange State of Sioux Falls until its consolidation with the Sioux Falls Savings. He reports that the deposits of the two banks now are up to \$1,800,000, which makes the Sioux Falls Savings the largest bank in the matter of deposits in the state of South Dakota. Mr. Ontjes says that their customers apparently are well satisfied with the new arrangement. Crop conditions in South Dakota are considered most favorable. There is plenty of moisture. Farmers, bankers and business men are exceedingly hopeful of the business prospect for the coming year. E. F. Goodell, vice-president of the Stuart State Bank, St. Charles, Ill., was a Chicago visitor recently. Charles H. Utz, vice-president of the First National at Appleton, Wis.; Joseph C. Carr, president of the Grundy County National Bank, Morris, Ill., and H. B. Wilson, assistant cashier of the Columbia National Bank, Indianapolis, also were in the city.

John H. Holliday, president of the Union Trust Company of Indianapolis, visited Chicago last Wednesday. Mr. Holliday is one of the leading bankers and financiers of Indiana. He is a student of and writer on financial subjects. His addresses always are instructive and appreciated by the members of the banking fraternity. He served a term on the executive council of the American Bankers Association and took an active part in important committee work during his term of service; J. W. Boyden, vice-president of the Farmers State Bank, Sheffield, Ill., and John C. Paddock, cashier of the Merchants National of Peoria, are two down-state banker fans who watched the Pirates eat up the Cub pitchers last Tuesday; Dr. F. S. Whitman, president and B. F. Harnish, cashier of the Peoples Bank at Belvidere, are enthusiastic in their support of agricultural and educational development work. The Peoples Bank is offering cash prices for the best acre yield of corn during the season of 1912.

John Puelicher, cashier of the Marshall & Isley Bank of Milwaukee, with his daughter, visited Chicago last Wednesday en route to New York; J. E. Garm, cashier of the Joplin (Mo.) National Bank, who has been visiting friends at Beardstown, Ill., stopped long enough in Chicago last week to say that Joplin bankers are expecting a large attendance at the convention of the Missouri Bankers Association to be held at that place this year, and that they hope to please the visitors with their program and entertainment features; John Skinner, president of the Astoria State Bank and of the Farmers State Bank at Lewistown, took a Woods Electric home with him week. Mr. Skinner is a pioneer citizen of Illinois and is familiar with agricultural and road conditions. He expressed the opinion that country roads will not be improved to any great extent until the farmers themselves do their share in improving them. He says there must be constant agitation and organization among all classes of people in the state to the end that the farmers will recognize this patriotic duty.

S. P. Mott, assistant cashier of the Iowa State Bank, at New London, Iowa, has been elected cashier, succeeding Mr. McGrew.



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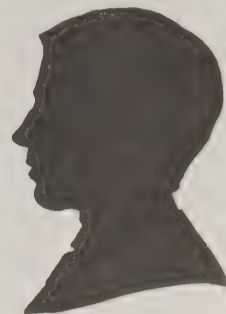
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New Jersey Bankers on National Incorporation of Trust Companies

The discussion at this time as to whether or not trust companies of our state should become members of the Central Reserve Association when formed can, at the best, be only academic, and have only an educational benefit and effect upon our minds, for as yet congress has not passed the bill authorizing the formation of the Central Reserve Association, and no favorable action is expected at this congressional session.

As was feared by the formulators of the Central Reserve Plan, the whole subject has become involved in politics and regardless of its value to the country at large, the existing dominant party in congress will not permit its enactment into law.

The members of this association are all too familiar with the provisions of this proposed bill to require any description of its terms at this time, and after a most careful study of its provisions and full consideration of the benefits to be gained by the nation in its adoption, I am convinced that it is a wonderful constructive piece of legislation, which seems to provide for every known or unlooked-for trouble, based upon past experience, and to provide a magnificent banking system for this country, sufficient to meet the varied and unusual demands of a country as broad as ours, and of such varied and different resources, the handling of which in the past has been such a severe strain upon our banking facilities. As such the report of the National Monetary Commission and the remedy proposed have my entire approval, for, while, in all probability, it is not perfect in all of its details, and while experience under its terms may develop crudities and unlooked-for difficulties, yet the general principles involved are sound, and such charges as may be necessary in their application can be made.

The original report of the commission did not include trust companies in its provisions, and I am inclined to believe that as applied to trust companies in cities or towns other than reserve and central reserve cities the failure to include trust companies was proper, for while the joining, or not, of the association will be entirely optional on the part of each trust company, the practical effect will be the undoubted joining of the association by the larger trust companies, should the bill become a law. In the discussion of a subject of such vast importance as is this, I fully realize the necessity of doing so from a broad viewpoint, and without giving too much consideration to the effect that the proposed legislation will have upon individual cases, but when such legislation will involve the entire modification of the business of the institutions of a state, which has had the sanction of a quarter of a century of successful operation, then we should carefully study the question from all of its view-

**W. H. McCarter, of Newark,
treats the subject broadly
in a talk before New Jersey
bankers at the Atlantic
City convention**

points, and before reaching a final determination give full consideration to the broad national questions involved, as well as their local application.

In reserve and central reserve cities there will be no hesitation on the part of trust companies in their adoption of the act, as moneys kept by country trust companies with trust companies so situated can be counted as a part of the legal reserve of the depositing company, while the money which any subscribing trust company in New Jersey may keep with any other subscribing bank or trust company in that state cannot be counted as a part of its reserve, and the result will be that intra-state relations which have existed many years between New Jersey institutions to the mutual profit and satisfaction of the contracting parties will either have to be entirely eliminated or so seriously reduced as to amount to practical abandonment. This will prove to be a matter of serious consequences to the company with which I am connected, as we have at the present time reserve accounts of other

institutions aggregating a very large amount. Our company in turn keeps one of its most important reserve accounts with a national bank within the state, with which it has affiliated relations, both of which class of relations would be seriously interfered with, if not entirely done away with, in the event of our joining the association.

To be equally beneficial to all trust companies it would seem to me that the character of the business of the different companies so affected should be of a similar kind, which is not the case throughout the state, as some of our companies buy commercial paper, and hence can readily come under the beneficial effects of the proposed legislation, while the direct advantages of those companies not doing a commercial business are not so prominent, for while provision is made in the proposed act for the borrowing of money upon the direct obligations of a subscribing member upon the deposit of satisfactory collateral, still, the machinery involved in the obtaining of such loan is so involved as to make the remedy worse than the disease.

The underlying intention throughout the entire act is to prevent what is called speculative borrowing (i. e. borrowing for the promotion of speculative enterprises), and for the extension as far as may be of the credits for agricultural and mercantile pursuits.

One of my reasons, therefore, for hesitation as to the wisdom of the adoption of this bill by our trust companies is the fact that it is not designed to meet the requirements of the old line trust company, which does not do a commercial business; secondly, it will drive a large amount of money now kept on deposit as reserve within the state, outside of our state; thirdly, in my judgment, it will tend to force the issue of judicial incorporation of trust companies, and the enforced surrender of state and more favorable charters.

This subject of national incorporation of trust companies is a very live one at the present time. At the conventions of the American Bankers Association, and as a member of the executive committee of the trust company section of that association, and later as a member of the association, I have for years worked against the association taking a favorable stand on that subject.

Many trust company men from different sections of the country advocate it strongly, and I greatly fear that a universal adoption of the principles of the proposed so-called Aldrich bill by the trust companies of the country will give an impetus to this subject, which may be difficult to stem—in that the carrying out of the requirements of that set may raise important questions as to states' rights and federal interferences.

(Continued on page 21)

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

"Bankers and business men generally seem to be playing a waiting game in this part of the country," observed Thornton Cooke, vice-president of the Fidelity Trust Company of Kansas City to the correspondent of *THE BANKER*. "I do not believe that some of the alarming reports about wheat being winter-killed are well founded. Of course some damage has been done, but there is still ample time for an average crop in the Central West. From all accounts conditions seem to be a little better in the East than in the Central West. Here there is just enough business to keep things moving, but nobody is in trouble. There is a strong undertone, and with average crops I look for business to pick up wonderfully later on in the season."

Kansas State Banks Report

Bank Commissioner Dolley of Kansas has just compiled a statement showing the condition of the 896 Kansas state banks based upon the call issued April 2d. The deposits have increased \$1,753,751 over what they were on December 27, 1911, when the previous call was issued. The total deposits in the Kansas state banks amount to \$102,128,200. Mr. Dolley in his statement says: "The call statement of April 2d shows a very pleasing condition. We were surprised to know that the deposits had increased in a very substantial amount. Reserves have increased nearly eight points; there has been a very decided decrease in overdrafts, and a marked increase in cash and sight exchange, all showing the banking conditions in Kansas to be very satisfactory, and the banks in a very strong financial condition. The farmers have passed through a very expensive winter, but have strong hopes for the present year as a crop year. Wheat in some counties has been more or less winter-killed, although not a very large per cent of it has been damaged in this way. We still have bright prospects for a ninety-million bushel crop. Business has improved materially during the past sixty days in all lines; is strong and promises a brighter future than at this date one year ago. The banks are having a steady demand for money for legitimate purposes. The "blue sky" speculators have ceased to interest the Kansas banker. A banker who loans these individuals money now is not classed as one of our best bankers. They have been driven from Kansas by statute and their credit terminated, and I believe this to be an important factor in the noticeable increase in deposits during the past three months. There is an unlimited field for investment in Kansas to develop Kansas, and such investments will bring a fair rate of interest. 'Keep Kansas money in Kansas, to de-

velop the unlimited resources of the greatest state in the American union,' should be the watchword. I do not believe national politics, whatever the result may be, will seriously affect business in Kansas and the Central West. No state in the Union is in as strong a position against national political conditions as is Kansas."

Condition of Kansas City and Omaha Banks

The recent call showed the deposits of the fourteen national banks of Kansas City to amount to 105½ million dollars, which varies less than \$200,000 from the figures of two months ago, although there are some large changes in individual banks, the New England showing a gain of one-half million dollars and the Interstate a gain of one million, while the National Reserve's deposits decreased \$600,000 and the Commercial, of Kansas City, Kansas, showed a decrease of three-fourths millions. The large changes are attributable to the handling of drainage funds. The total cash and exchange amounts to practically the same as two months ago, and the loans and discounts vary only a small fraction of 1 per cent. The total resources of the national banks of Kansas City are 124½ million dollars, differing only \$18,000 from those of two months ago. The total deposits of the national banks of Kansas City on April 18th this year were \$3,400,000 less than on March 7, 1911, and \$3,680,000 more than on June 7, 1911. These figures show that the demand for money and the volume of deposits and cash resources are remarkably uniform. The total cash and exchange in the national banks amounts to 45.5 per cent of deposits compared with 42.7 per cent on June 7, 1911. The total deposits of state banks and trust companies are practically the same as two months ago, and about \$1,800,000 larger than on June 7, 1911. There is less idle money in the Omaha national banks than was shown by the last preceding call. Bankers in Omaha are well satisfied with conditions. The total deposits of the ten national banks in Omaha are, \$59,674,941 as compared with \$59,773,190 on February 20, 1912. The loans and discounts of the Omaha banks are \$39,719,310 as compared with \$37,733,972 on February 20, 1912.

State Bank for Omaha

For many years there has not been a state bank in Omaha. To supply this deficiency a number of Omaha capitalists have organized the Omaha State Bank, which will have a capital of \$500,000, and will be the only bank in Omaha to be protected under the Nebraska state guaranty law passed three years ago. Albert S. White, native of Nebraska, who has

been in the banking business for fifteen years in Missouri, and L. A. McConnell, who comes from Chicago representing eastern capital, are moving spirits in the new organization. The Omaha men who are interested are G. H. Payne, John T. Yates, Ralph Kitchen, W. C. Lambert, A. T. Klopp, R. E. Wilcox, B. F. Thomas, George W. Ryan, E. H. Westerfield, A. Hospe, J. W. Elwood and F. T. Stroup. The present offices of the organizing committee are in the Omaha National Bank Building.

Kansas City Chapter

The Kansas City Chapter of the American Institute of Banking held its annual meeting at the Kansas City Athletic Club last week with an unusually good attendance of the 200 members. The business session was preceded by a dinner at which the Kansas City Athletic Club minstrels furnished the chief entertainment. One of the questions that was discussed at length was the number of delegates that will represent the chapter at the national convention in Salt Lake City, August 17th and 18th. It was finally decided to send two delegates who will be chosen later. The following chapter officers were elected for the ensuing year: President, C. A. Burkhardt of the National Reserve Bank; vice-president, H. L. Larson of the National Bank of Commerce; secretary, Lloyd Garrett of the First National; treasurer, P. A. Adam of the Title and Savings Trust Company, and an executive board, composed of G. G. Moore of the New England National; A. W. Kennedy of the National Bank of Commerce, and Joseph T. Heydon of Houston, Fible & Co.

No Bank Failure in Three Years

The Kansas banking department has issued a report covering the transactions of the state bank deposit guaranty fund during the past three years. In that time the fund has not paid out a single penny on account of bank failures. For the first eight months after its enactment the law was tied up in the federal courts. There are now 444 state banks participating in the funds. They have deposited in the state treasury through the banking department a total of \$325,909 in Kansas municipal bonds. This amount comprises a guaranty of good faith on the part of the banks. The banks collect interest on these bonds, and the total amount is sufficient to pay off the indebtedness to depositors should almost any state bank in Kansas fail utterly. When the law was under consideration by the legislature it was argued by many bankers that the plan proposed would tie up too much of their money; that it would take too much out of circulation, and put it in the hands of the

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state treasurer. At the present time the state has on deposit \$80,744 in cash belonging to the banks participating in the guaranty fund. The same banks have nearly \$100,000,000 on deposit, so the state has in actual possession less than one-tenth of 1 per cent of the total deposits of the banks. It has been necessary to issue certificates of deposit against the fund but once since the law went into effect. That was in the case of the failure of the Abilene State Bank, which was wrecked by John A. Flack. As soon as the state took charge of the affairs of the bank the assets that could be turned quickly were cashed and depositors paid off in proportion to their deposits. The other property was taken over by the state, and is being disposed of as rapidly as possible. Each depositor was given a certificate of deposit bearing interest for the remainder due him. The state and national banks at Abilene are holding these certificates. They purchased them from the depositors. It is not likely that it will be necessary to pay a single cent out of the guaranty fund to the depositors after all the property has been turned into money.

Bankers Mortgage Loan Company, Omaha, Organized

Omaha will have a new and important financial enterprise as soon as the organization can be completed. Articles of incorporation have been authorized for the Bankers Mortgage Loan Company with a capital stock of \$2,000,000, which will make a specialty of loaning money on real estate and furnishing capital for public utility projects in Nebraska. The officers of the company are: President, Thomas B. McPherson, president of the South Omaha Live Stock Exchange, director of the Union Stock Yards Company, and director of the Corn Exchange National Bank; vice-president, F. McGiverin, president of the Commercial National of Fremont, and president of the Nebraska Bankers Association; secretary, E. M. Reynolds; directors, George N. Seymour, president of the State Bank of Elgin, and the Atlas Bank of Neligh; H. A. Peters, banker and live stock dealer of Hay Springs, Neb.; W. E. Farlow, capitalist, New York.

Bank Robbery at Midland, Ark.

Robbers visited the Bank of Midland, thirty miles south of Fort Smith, Ark., the night of April 24th, and after a sensational fight with citizens escaped with \$8,000. The robbery had been carefully planned. All telephone wires in the village had been cut. Awakened by explosions, a number of citizens armed themselves and went to the bank, where they were received by a volley of shots from the robbers' lookouts. That was a signal for a fight which lasted two hours. After the robbers got all of the money in the safe, they set fire to the bank building, and, sheltered by the flames, they outflanked the posses and escaped. The loss of the papers in the fire will seriously cripple the bank's business for some time.

Death of H. M. Holden

Howard M. Holden, a veteran banker of Kansas City, died at his home last week at the age of 75 years. Mr. Holden was born in Malden, Mass., in 1835. He located in Muscatine, Iowa, and began his career as a banker. After remaining there three years he went to

the American Exchange Bank in New York for one year. Returning to Iowa he established a bank at Washington, of which he was the first cashier, and later president. In 1866 he located in Kansas City, where he bought a controlling interest in the old First National Bank, which under his management became the leading banking house west of St. Louis at that time. Mr. Holden was one of the leading spirits in the organization of the Kansas City Live Stock Exchange, and was the first treasurer, and later president of the Kansas City Board of Trade. In 1878 the First National Bank failed, and Mr. Holden spent several years settling up its affairs. In 1893 after the failure of the Kansas City Safe Deposit and Savings Bank, Mr. Holden was appointed assignee, and devoted several years to closing its affairs. During the last few years Mr. Holden had been in retirement.

Central West Notes

The fidelity Trust Company of Kansas City, which owns the old Federal Building at Ninth and Walnut street, will add two stories to the structure, thus increasing the office room. The improvement will cost about \$20,000.

Business men of Waco, Texas, are planning for an extended eastern and northern trip to begin June 14th. Publicity matter will be distributed setting forth the advantages of Waco for investments. A special train will carry the boosters, who will visit a grand circuit to include Chicago, Detroit, Buffalo, New York, Philadelphia, Baltimore and Washington.

R. L. VanZandt, national bank examiner for the eastern district of Texas with headquarters at Fort Worth, has been chosen by the New Orleans Clearing House Association as special bank examiner for the association to have jurisdiction over the banks of New Orleans.

J. C. Hopper, president of the Citizens National of Ness City, Kansas, gave an octagonarian dinner one day last week to four cronies, J. F. Borthwick, Thomas Nicholson, Phineas Snyder and Aaron Bowser, and their ages aggregated 330 years.

Sam Burns, Jr., J. A. C. Kennedy, and C. M. Wilhelm are a committee of the Omaha Commercial Club recently appointed to frame a law to protect people from investing in worthless stocks or schemes of fraudulent nature. The law is to be patterned after the Kansas "blue sky" law.

The bankers of Grady county, Okla., met last week and effected a permanent county organization. The object of the association is a better co-operation among the twenty banks of the county. After the business meeting the delegates enjoyed a banquet and smoker.

M. D. Timberlake, for several years cashier of the First National, Ada, Okla., has resigned to engage in private business.

Banking Commissioner B. L. Gill of Texas has announced the appointment as assistant bank clerk in the department of C. E. McCutcheon of Megargel. Mr. McCutcheon was cashier of the First National of that place.

A large number of northern Nebraska bankers attended their annual convention in Norfolk last week. The following officers were elected: President, T. A. Anthony, Wausau;

secretary, R. H. Mathewson, Wakefield; treasurer, M. L. Mote, Plainview.

The second group of the Nebraska Bankers Association met at Fremont last week with an attendance of more than 150 delegates, and many guests from Omaha. One of the most important discussions of the convention was on the subject of the national reserve association. L. B. Howey of the City National Bank, Lincoln, introduced the subject by reading a paper in which he indorsed the plan. The group registered its formal approval of the national reserve system. The group sent a congratulatory telegram to H. W. Yates, president of the Omaha National, on the occasion of his golden wedding anniversary. The following officers were chosen: President, C. C. Marshall, Arlington; vice-president, Chris Hirschman, West Point; secretary and treasurer, Jesse McNish, Wisner.

Max Church, who two years ago was arrested for receiving money as cashier of the Holyrood State Bank, Holyrood, Kan., while that bank was in a failing condition, was fined \$500 last week. Church fled after his arrest, and was recaptured recently in California.

Henry M. Dearing, seventy-two years old, and his son, Palmer M. Dearing, forty years, were taken to the federal prison at Leavenworth last week to begin serving sentences of five years each for embezzlement. Henry M. Dearing was cashier of the Albion National Bank of Albion, Mich., and his son was a clerk. They admitted having taken \$150,000 of the bank's money to finance private enterprises.

NEW JERSEY BANKERS ON NATIONAL INCORPORATION OF TRUST COMPANIES

(Continued from page 19)

In conclusion, my judgment would lead me to the belief that if the Aldrich bill were made to apply to trust companies in reserve and central reserve cities only, and if the trust companies in the other cities of the country were permitted to carry on their business under a system of more uniform legislation as to supervision by their several state departments, and were still able to secure accommodation when required from their reserve banks as at present, the reserve banks being in a position always to extend such accommodation by reason of their membership in the reserve association, that our trust companies would be better off out of the association, but if the failure of the trust companies throughout the country to join the association jeopardized the successful carrying out to its fullest function this magnificent creation of a national banking system, or if their failure to join the association would disturb their present method of securing financial assistance when needed, then in either of which events I would be in favor of subordinating individual views to the good of the many, and I have entire confidence in the loyalty and devotion of the trust companies to their country's needs to lead them to join in with their sister institutions in favor of any legislation looking to the safety of the nation regardless of the effect upon individual cases.

Robert K. Root has been elected vice-president of the Market Bank, Buffalo, N. Y.

TEN YEARS' PROGRESS

In the Surplus and Deposits of the

Security National Bank Of Minneapolis

Surplus and Profits

1902, \$ 160,000
1912, 2,100,000

Deposits

1902, \$8,000,000
1912, 20,000,000

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Import of the last Minneapolis statement on call, bankers say, is that the Northwest is on a firm business basis, that the financing incident to the opening of the crop season was well done in advance of requirements, that the volume of distributing, manufacturing, railroad and other lines of business is holding steadily to the higher basis over a year ago, first indicated in the statements, and that the general business outlook is good. Business volume reflected through the banks was practically on a basis of \$10,000,000 more than a year ago.

Total deposits on April 18th were \$103,606,835, as compared with \$102,653,873, February 20, 1912, and \$94,101,806, March 9, 1911. Of the first total \$84,455,652 was in commercial banks and the balance in savings banks. The deposits of the Farmers and Mechanics Bank alone were \$13,917,899. Loans and discounts for the three periods above were \$62,751,472, \$63,214,262, and \$56,344,096. Deposits in excess of the February statement were \$1,042,962, and in excess of March, 1911, \$9,595,029. The loans and discount increase was \$598,348 over February, and \$6,103,552 over 1911. Deposits of the three largest banks were: Northwestern National, \$26,306,240; First National, \$22,472,087; Security National, \$19,579,415.

At Country Home

Mr. and Mrs. George F. Orde have closed their town house in Summit Avenue, and are at their country home, Longridge, Orono, Lake Minnetonka.

Predicts Bumper Crop

J. W. Wheeler, president of the Capital Trust Company, St. Paul, sees a bumper crop ahead. Mr. Wheeler came from Crookston, where farmers are psychic about crops long ahead. He says: "Crop conditions throughout the Northwest are better than for fifteen years. Seeding has been done nearly two weeks earlier, and the recent rains will bring

the grain right along. There was a shortage of fall plowing in North Dakota, but so many farmers own traction plows that this can be largely remedied. At present there is nothing in the way of a bumper crop for the entire Northwest."

Recommends Sale of Bonds

The Minneapolis council committee has recommended the sale of \$200,000 bonds to cover prospective expenditures at Hopewell, the city tuberculosis hospital. The committee will advertise \$80,000 playgrounds bonds, \$50,000 sewer pipe bonds, and \$10,588 certificates of indebtedness. The common sinking fund was checked over April 29th to find where it is at.

Group 7, Wisconsin, on May 16th

At a meeting at La Crosse, May 16th was chosen as the time for the meeting of Group 7 of the Wisconsin State Bankers Association in that city.

Death of J. R. Hughes of South Dakota

John R. Hughes, many years president of the South Dakota Bankers Association, former representative in the legislature, president and owner of a chain of banks, died in Minneapolis, April 27th.

Curtis L. Mosher Addresses Office Men's Club

Curtis L. Mosher, secretary of the Citizens League of Minnesota, told the Minneapolis Office Men's Club at its Thursday meeting that the present banking system is obsolete. He discussed the national monetary commission. He said among other things:

"Two important points should be realized in a new monetary system. The bank should be able to guarantee the depositor the opportunity to withdraw his money whenever he sees fit. The depositor also should be assured that he could secure loans whenever he had satisfactory security without the incident grilling through which he now has to pass.

"The monetary commission proposes to

form banking districts. There would be local association comprising groups of banks which would join in district association. The district association would federate in the central association of the United States, which would hold the idle funds of the smaller organizations. It is probable that one of these district associations would have headquarters either in Minneapolis or St. Paul.

St. Paul Banks

Nine St. Paul banks showed a falling off in deposits as compared with February 20th. Officers said the call came at just the wrong time for a good showing, when there was dip in the deposits. They amounted in February to \$47,879,980 as compared with \$45,915,936. Loans and discounts for the two periods were \$31,641,237 and \$30,713,926. It is said that had the call been April 15th the banks would have shown a notable increase in deposits, or \$200,000.

New Wisconsin Bank

The Farmers State of Minnong, Wis., has incorporated at \$10,000. The incorporators are S. J. Keefe, L. C. Stadler, F. T. Jenks, and others.

Pay Bills Before May 1st

Of Assessor Frank L. Powers at St. Paul, the newspapers say, speaking of the new credit law of the state, "He has come to the conclusion that everybody involved in the transaction will be better off if debts are paid before May 1st. He points out that any person having money in bank May 1st will be assessed for it. In addition, he points out that any person who has bills due him May 1st will be assessed for them as credits. For that reason it will simplify things if the man with money in bank will use it in paying his bills."

St. Paul Provident Loan Association a Success

More than \$18,000 has been loaned by the St. Paul Provident Loan Association, organ-

WILLIAM J. BURNS, President. Formerly U. S. Secret Service. Late San Francisco, Cal., Graft Prosecution

RAYMOND J. BURNS, Secretary and Treasurer

The William J. Burns National Detective Agency, Inc.

Representing American Bankers Association

GENERAL DETECTIVE WORK OF A HIGH CLASS GUARANTEED

WE SUCCEED WHERE OTHERS FAIL

We make the same rate for Bankers' private work as that charged the American Bankers Association

NEW YORK, 21 Park Row

CHICAGO, 811 to 815 First National Bank Building. Telephones, Randolph 4927-4928

New York
San FranciscoKansas City
PittsburgMinneapolis
CincinnatiPortland
SeattlePhiladelphia
Los AngelesNew Orleans
St. LouisDenver
Oklahoma CityBoston
Detroit

ized by business men to loan to salaried people, in the two months of its history just closed. Since establishment 825 applications have been filed and money was loaned to about one-half. Bankers are interested in the company.

"About one-third of those who have applied were loan shark victims," said A. W. Gutridge, manager. "We do not expect so many calls for loans from now on. It has been a hard winter, and many applications are due to that. There have been many cases of real want relieved in the first two months."

Celebrates Fortieth Anniversary

The First National of Grand Rapids, Wis., has celebrated its fortieth birthday. Souvenirs were distributed to visitors.

To Prevent Sale of Bonds

A statement calculated to block sale of the Virginia state bonds held by Minnesota has been prepared by the state auditor. The bonds amount to \$2,145,000. The statement shows that by October 20, 1912, enough revenue will have come to the treasury to care for all applications for loans now on file, and leave \$373,387. The sale of the bonds is being agitated on the ground that the state is in need of funds to care for applications for loans from various sources throughout the state, and that these loans will bring in a greater income to the state than the funds invested in Virginia bonds.

An additional argument against the sale is the fact that by July 1, 1913, \$561,000 worth of Louisiana state bonds mature, making this sum available for state loans. State Treasurer Smith is the only member on the board who has urged the sale of the bonds. It takes an unanimous vote to authorize the sale.

INDIANAPOLIS BANK DEPOSITS INCREASE

The individual deposits in the national banks of Indianapolis, Ind., have increased remarkably during the last year, according to a report made by the comptroller of the currency, based upon the last call, April 18th, as compared with the call of March 7, 1911. It shows individual deposits amounting to \$21,758,980.90, as against \$20,663,360.99 a year ago. Total resources of Indianapolis banks increased during this period from \$55,844,419.45 to \$57,513,810.14, and loans and discounts from \$28,469,336.38 to \$29,320,926.65.

ALBION BANK CREDITORS TO GET A DIVIDEND

Creditors of the defunct Albion (Mich.) National Bank will undoubtedly soon get their first dividend, 20 per cent, or a total of \$8,000. The receiver has so recommended to the comptroller at Washington. This is the bank for the wrecking of which the Dearings, father and son, are serving time at Fort Leavenworth.

TWO INDIANAPOLIS BANKS MERGE

Indianapolis.—The directors of the Indiana National Bank and the Capital National Bank held meetings on Monday, and decided to consolidate the two banks on July 1st. The con-



FRANK D. STALNAKER
President

solidated bank will be known as the Indiana National Bank, and will occupy the Indiana National Bank building, Pennsylvania Street and Virginia Avenue. Volney T. Malott will be the chairman of the board of directors, and



ANDREW SMITH
Vice-President

Frank D. Stalnaker will be the president of the bank.

The capital of the new bank will be \$2,000,000, and the surplus \$1,000,000. It will have total deposits of about \$15,000,000, and total resources of about \$20,000,000.

It was announced that few changes would be made either in the officers or the working force of the two banks after the consolidation. The shareholders of the Indiana and the Capital banks will meet May 29th to vote on the ratification of the action of the boards of directors, and the Indiana will vote on increasing its board to not fewer than fifteen or more than twenty-five members. It was announced, also, that the business of the two banks would continue uninterrupted up to the time of the consolidation.

Originally Branch of State Bank

The Indiana National Bank was originally the Indianapolis branch of the Bank of the State of Indiana, and began business on February 1, 1857. It was organized under the national banking act and became a national bank March 12, 1865, and was the first national bank to begin business in Indianapolis. It has capital and surplus of \$2,400,000 and deposits amounting to about \$7,500,000.

Its officers are as follows: Volney T. Malott, president; Henry Eitel, vice-president; M. W. Malott, second vice-president; Edward D. Moore, cashier; Thomas Kaylor, assistant cashier; Volney T. Malott, Charles H. Brownell, John H. Holliday, Samuel Rauh, L. C. Boyd, Charles C. Perry, W. J. Holliday, Edward L. McKee, Elisha Havens, Arthur D. Brown, George B. Yandes, and Henry Eitel, directors.

Capital Twenty-Two Years Old

The Capital National Bank is about twenty-two years old, and has a capital of \$1,000,000; surplus and undivided profits, \$500,000, and about \$6,500,000 in deposits. The officers of the bank are: Frank D. Stalnaker, president; Andrew Smith, vice-president; Gwynn F. Patterson, cashier; Leroy Kahler, assistant cashier; J. Kurfis, auditor; A. G. Lupton, A. Q. Jones, J. W. Lilly, Fred Dickson, John J. Appel, Sol Meyer, E. I. Fisher, Andrew Smith, H. J. Milligan, E. H. Darrach and Frank D. Stalnaker, directors.

This is the third consolidation of national banks to take place in Indianapolis recently. The first was the consolidation of the Fletcher and the American, under the name of the Fletcher-American National Bank, and the second was the consolidation of the Union and the Columbia under the name of the National City Bank.

WILMINGTON BANK CLOSED

Wilmington.—On the ground that he believes it to be unsound, because of alleged unsafe investment, Insurance Commissioner Maull has taken charge of the North American Bank here and closed its doors. At the commissioner's request, Attorney-General Gray says he will apply to the court for a receiver.

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

THE SEATTLE NATIONAL BANK

OF SEATTLE, WASHINGTON

R. V. ANKENY, Cashier
J. FURTH, Chairman Board of Directors

Statement of Condition April 18, 1912

RESOURCES

Loans and Discounts	\$9,037,872.09
United States Bonds	1,918,908.33
R. R. Bonds and Warrants	1,646,518.57
Furniture and Fixtures	75,000.00
Letters of Credit	287,924.24
Cash and Exchange	5,963,390.72
	\$18,929,613.95

LIABILITIES

Capital Stock	\$ 1,000,000.00
Surplus and Undivided Profits	305,698.68
Circulation	1,000,000.00
Deposits	16,623,915.27
	\$18,929,613.95

Pacific Northwest Banking News

"Farmers throughout the Spokane country were never so well satisfied with conditions and the prospects for large crops," said R. Lewis Rutter, vice-president and manager of the Spokane and Eastern Trust Company, on returning to Spokane from a trip of 450 miles by motor car in southeastern Washington. With him were C. W. Winter, vice-president, and Mrs. Winter and Conner Malott, manager of the mortgage department of the bank. Mr. Rutter added:

"The country banks of the southern part of Spokane county and Whitman, Asotin, Garfield, Columbus, and Walla Walla counties, are full of money and reserves are running as high as 60 per cent. Farmers are borrowing practically nothing on mortgages. The only real estate loans to be had are the result of an occasional sale when some one buys an adjoining parcel of land. In many cases the resulting mortgages are handled by neighbors. One farmer in Whitman county is credited with having \$200,000 loaned on mortgages. We were looking for the purchase of good mortgages, but not a single one could be offered by the banks we visited.

"Substantial increases in live stock were noted, though we are yet a long way from producing our quota of pork, eggs, poultry and butter. Land values now range from \$60 to \$100 an acre. One of the most impressive things is the uniformity of the land and the constantly increasing acreage under cultivation. Practically the entire country in the Palouse is now in grain."

Condition of Spokane Banks

Spokane banks have larger deposits today than reported at any time previously in the history of the city. Sixteen banks responding to a call of the comptroller of the currency for statement at the close of business on April 18th, reported total of \$33,121,716.22, as against \$27,888,370.27 on March 7, 1911. Loans and discounts have increased more than \$1,000,000 in the same period, and there is an increase of \$30,640.10 in surplus and undivided profits, and a gain of \$3,575,270.72 in cash on hand.

Investment of Boston Capital in Apple Lands

Colonel William N. Mears, president of the Boston and Washington Apple Orchard Association, said in an interview a few days ago that more than \$1,000,000 of Boston capital will be invested in developing apple lands in Okanogan and Chelan counties, Washington, in the next few years. The associations project, he added, will be completed as rapidly as possible. The Okanogan Orchards Company of Tonasket, Wash., also is financed by Boston money. The Beebe Brothers of Boston are

putting in a 400-acre orchard near Chelan. Three hundred acres of land was planted to apples last year, and it is given out that too acres will be set this season. The land is not for sale, but will be developed as a commercial orchard proposition.

Washington Convention

Charles A. McLean, cashier of the Traders National Bank of Spokane and president of the Washington Bankers Association, says the seventeenth annual convention at Tacoma and Olympia. June 27th and 29th, will be interesting and instructive. The business sessions will take place at Tacoma June 27th, and on the morning of June 29th. June 28th will be given over to the entertainment of delegates and visitors, who will be the guests of the bankers of Olympia. The Tacoma Clearing House Association will provide the entertain-

ment June 27th and 29th. While the program for the three days has not been completed, it is announced that one of the principal addresses will be given by John Perrin, chairman of the board of the Fletcher-American National of Indianapolis, a member of the currency commission of the American Bankers Association. Mr. McLean and W. D. Vincent, cashier of the Old National of Spokane, also will deliver addresses.

Chicago, Milwaukee & Puget Sound Railway Company and the Oregon-Washington Railroad and Navigation Company have just closed for the purchase of property in Spokane involving \$1,250,000. The ground, in Front Avenue, between Howard and Washington streets, will be used for station purposes.

Large Bond Issue

State Capitol Commission of Washington has authorized the issuance of \$920,000 bonds at 4 per cent, the money to be used to complete the new \$350,000 temple of justice, and take up all outstanding debts against the building fund. Some of the warrants have been drawing interest so long that the interest due exceeds the face of the warrants, and it is to put the fund on a sound basis that bonds are authorized. Part of the issue may be placed on the market, the balance being taken up by the state board of finance.

Group 1 Holds Meeting at Waterville

W. D. Vincent, Old National Bank; E. Vaughn Klein, Traders National Bank; W. L. Clarke, Spokane and Eastern Trust Company; O. M. Greene, Exchange National Bank; Thomas H. Brewer, Fidelity National Bank, and W. T. Day of the Day-Hansen Company, of Spokane, attended the annual meeting of the North Central Washington Bankers League, Group 1, at Waterville, Wash., April 24th and 25th. G. P. Wiley, cashier of the Waterville Savings Bank, presided. The group includes the bankers of Douglas, Okanogan, Chelan and Grant counties.

Receives \$4,000 from Failed Bank

Henry Tobin, a resident of the Soldiers' Home at Los Angeles, has received \$4,000, which he lost through the failure of the Walla Walla Savings Bank in 1893 and interest from J. K. Edmiston, formerly president, now living in Egypt. Tobin chased Edmiston through the streets of Walla Walla after the bank closed, and shot at him several times with an army revolver, believing that the banker deliberately robbed him of his money.

Engagement Announced

Judge and Mrs. Moye Wicks announce the engagement of their daughter, Muriel, and Joseph W. Bradley, former president of Spokane



The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

OFFICERS

D. W. TWOHY, President
T. J. HUMBERT, Vice President
W. D. VINCENT, Cashier
J. W. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

J. S. & W. S. KUHN

INCORPORATED

INVESTMENT BANKERS

FIRST NATIONAL BANK BUILDING

PITTSBURG

CHICAGO

PHILADELPHIA

Guaranteed
Irrigation Bonds.
Guaranteed Water Works Bonds.
Public Service Bonds.
Municipal
Bonds.

There never has
been a day's delay in the
payment of either the principal
or interest on any bond
we have sold.

Chapter of the American Institute of Banking, and head of the collection department of the Old National Bank. The bride-to-be is a graduate of the Hollins Institute of Virginia.

Banking Notes

Spokane and Eastern Trust Company has loaned \$40,000 to secure an issue of bonds, payable serially, to George H. Gray & Sons, lumber operators, at Entiat, Wash. The money will be used to pay other indebtedness and in developing the property.

J. A. Coffin of New York, a member of the National Marine League, was in Spokane several days this week to interest business men in assisting to build up the American marine because of the growing and prospective oriental trade.

Thomas H. Brewer, president of the Fidelity National, was elected chairman of the membership committee of the Spokane Young Men's Christian Association, succeeding J. D. Bassett, who becomes chairman of the religious work committee.

Orris Dorman, vice-president of the Fidelity National, has become chairman of the finance committee of the Interchurch council of Spokane.

Group 2 of the Eastern Washington Bankers League will have its annual meeting in Spokane, May 8th. W. H. Martin of Ritzville is president, and B. L. Jenkins is secretary. Charles A. McLean, president of the state association, is chairman of the local committee on entertainment.

"Character as a Business Asset" was discussed by W. D. Vincent, cashier of the Old National Bank, at a recent meeting of the Brotherhood Bible class of the Westminster Congregational Church of Spokane.

R. Insinger, manager of the Northwestern and Pacific Hypotheekbank, and president of the Spokane Chamber of Commerce, said on returning from an inspection trip through the Big Bend country, that he is highly pleased with the crop outlook.

Judge Worstell at Wallace, Idaho, sentenced Frank Callahan of Burke, Idaho, April 21st, to serve five months following conviction on the charge of forging checks on a bank at Missoula, Mont.

Albert J. Earling, president of the Chicago, Milwaukee & St. Paul Railway, and a party of eastern capitalists, including President Ryan of the Amalgamated Copper Company, and J. A. Spoor, chairman of the board of directors of the Union Stock Yards of Chicago, were in Spokane April 25th, on a tour of the Pacific Northwest.

A call for a report of the condition of the Texas state banks and trust companies at the close of business Thursday, April 18th, was issued by B. L. Gill, commissioner of insurance and banking. The last preceding call was for report of the date of February 20th.

Seattle

All of the banks of Seattle having savings departments have organized the Savings Bank Association of Seattle, said to be the only city organization of the kind. One object is to watch and initiate legislation which will be beneficial to the savings banks of the city and state. The Seattle association is designed to be the nucleus of a state organization. The officers chosen are: President, J. E. Chilberg, vice-president Scandinavian-American Bank; vice-presidents, J. H. Edwards, vice-president Washington Trust and Savings Bank, and Ralph S. Stacy, vice-president National Bank of Commerce; secretary, E. Shorrock, president Northwest Trust and Safe Deposit Company; treasurer, G. K. Betts, cashier American Savings Bank and Trust Company.

LOS ANGELES BANKS REPORT GROWTH

Practically all the national banks in Los Angeles show a gain in deposits, while the cash reserves and loans have been slightly increased. The statements made to the comptroller show that the total deposits in the national institutions at the close of business on April 18th aggregated \$69,870,233. Since March 7th, last year, there has been an increase of \$14,181,170. The increase over the total on February 20th is \$7,798,161, and the gain over the total for December 5th is \$10,581,359. The loans and discounts on April 18th were \$46,803,010. This is an increase of \$10,748,183 in the loans, compared with the statement for March of last year, and the total is \$2,725,384 greater than on February 20th. The cash items show that the reeserves of the national banks aggregate \$29,439,920, which is \$5,004,236 more than the total for March 7th, last year. The increase in cash reserves compared with the statements in February aggregate \$4,010,508.

SAN FRANCISCO BANK MERGER

Formal announcement has been made of the consolidation of the Merchants National Bank with the Western Metropolis National Bank. The new institution will have a capital stock of \$1,500,000, and deposits of more than \$6,000,000. The shareholders of each bank will retain their proportion of the capital stock of the consolidated bank, and the directorate will be increased to take on directors from both banks. It is understood that Alfred M. Meyerstein, president of the Western Metropolis National Bank, will be the president of the merged institution, and its cashier will be W. W. Jones, now cashier of the Merchants National Bank.

Plans are being discussed looking toward the merger of the Marine Trust and Savings Bank with the Fugazi Banca Popolare Operaia Italiana, but nothing definite has been arranged.

The State Bank of Rock Valley, Ia., has increased its capital stock from \$25,000 to \$35,000.

NORTH CENTRAL WASHINGTON BANKERS LEAGUE

At Waterville, Washington, on April 24th and 25th convened the second annual meeting of the North Central Washington Bankers League. The convention was held in the Masonic Club rooms and was a success in every respect.

In attendance were the following bankers: O. M. Green, Exchange National, Spokane; P. M. Snider, Commercial, Okanogan; A. Kirkpatrick, Mansfield State, Mansfield; H. T. Jones, Hartline State, Hartline; Frank D. Case, Columbia Valley, Wenatchee; E. F. Stowell, Cashmere State, Cashmere; J. L. Mohundro, state bank examiner; Geo. R. Fisher, First National, Wenatchee; Robert B. Field, Leavenworth State, Leavenworth; H. W. Van Slyke, Miners and Merchants, Chelan; F. S. Jacobson and Joseph M. Gangler, Tumwater Savings, Leavenworth; W. D. Vincent, Old National, Spokane; E. V. Klein, Traders National, Spokane; Thos. H. Brewer, Fidelity National, Spokane; W. L. Clark, Spokane and Eastern Trust Co., Spokane; W. T. Clark, First National, Wenatchee; T. Claud Bennett, Wilson Creek State, Wilson Creek; S. D. Saunders, Bridgeport State, Bridgeport; H. C. Sampson, Western Union Life, Spokane; Frank W. Shultz, Harmon Wilcox, M. E. Lies, C. S. Valentine and J. W. Woolverton, of the Douglas County Bank, Waterville; Geo. P. Wiley, E. C. Carter, W. T. Day, D. S. Thompson, Geo. Kincaid and A. B. Dorsey, of the Waterville Savings Bank, Waterville. In addition were many active local members of the Farmers' Educational and Co-operative Union.

Contributing largely to the success of the convention was the presence of several Spokane bankers who took an active part in the various programs and discussions. The attendance of Seattle bankers was noticeably lacking. Aside from banking matters in general, the chief topic of discussion at the different meetings was the "back to the farm" movement including agricultural and vocational training for the youth of the rural districts and the diversifying and intensifying of methods of farm production.

On Wednesday afternoon, April twenty-fourth, after an informal gathering, the convention was called to order by Geo. P. Wiley, president of the league, at 3:00 p. m. The address of welcome for the town of Waterville was delivered by Attorney Arthur McGuire, which was responded to by Geo. R. Fisher, cashier of the First National, Wenatchee. Letters of congratulation and encouragement received from A. S. Burrows, superintendent of schools, King county, and P. C. Kauffman, secretary Washington State Bankers Association, were read. A. L. Rogers, member of the Country Life Commission and member of board of regents, State University, read a very able paper on the subject of agricultural and vocational training in the rural schools. Louis Delivuk of Quincy discussed the "Banker's Relation to the Marketing of Grain," followed by a very pointed and eloquent address

(Continued on page 27)

JOHN McHUGH - President
JOHN J. LARGE - V.-Pres.
W. L. MONTGOMERY, V.-Pres.
HENRY G. WEARE - V.-Pres.
F. A. McCORNACK - V.-Pres.
H. A. GOOCH - Cashier
O. D. PETTIT - Asst. Cashier
FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIoux CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
BUSINESS AND OFFER
YOU EXCEPTIONAL
FACILITIES. CORRE-
SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

I. H. INGWERSEN, President

C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
Collections and Bank Accounts

Largest Bank in Clinton
County

Des Moines, May 2.—All records were broken for increase in the deposits of the state and savings banks and trust companies of Iowa as shown by the reports for the condition on April 3d which have just been compiled by the state banking department. In the ten months from May 29, 1911, to April 3d this year the deposits increased \$23,161,578.29. This is declared to be the greatest gain ever shown in a ten months' period. The deposits increased \$7,746,793.75 between the calls of February 7th and April 3d. This is also regarded as a fine showing. The reserve in the meantime is held at 3 per cent above that required by law. There are 720 savings banks, 282 state banks, and 14 trust companies, and the average reserve is 21.5. The undivided profits also show a first-class increase. The total amount which the depositors of Iowa have in three classes of Iowa institutions is \$272,091,110.71. The figures showing the changes in conditions as compared to the preceding statement and with that of May 29th last year are as follows:

Assets

Bills receivable—increase.....	\$ 6,829,678 78
Gold coin—increase	60,483 72
Silver coin—decrease	9,596 26
Legal tender—increase	87,525 79
Credits subject to sight draft— increase	2,797,537 91
Overdrafts—increase	98,116 98
Real and personal property— increase	43,064 81

Total assets—increase\$10,016,811 73

Liabilities

Capital stock—increase	\$ 520,225 00
Due depositors—increase	7,746,793 75
Due banks and others—decrease	205,082 33
Surplus—increase	223,077 14
Undivided profits—increase ...	1,731,798 17

Total liabilities—increase\$10,016,811 73

Net increase in number of banks
since last report 5

Net increase in number of banks
since May 29, 1911 42

Increase in deposits since May
29, 1911\$23,161,578 29

Average reserve in all banks
April 3, 1912 21.5%

Des Moines National Banks

If the condition of the national banks in Des Moines is any criterion, the national bank deposits have averaged about the same between the bank call issued earlier in the year and that calling for conditions on April 18th. Of the four national banks in Des Moines, two show an increase in deposits, and two show a decrease. The condition of deposits in the four institutions at Des Moines is as follows: Citizens National, April 18th \$2,045,632.32; preceding call \$2,120,773.78. Des Moines National, April 18th, \$5,965,935.65; preceding call

\$5,735,935. Valley National, April 18th, \$2,536,773.18; preceding call \$2,486,832.45. Iowa National Bank, April 18th, \$7,600,000; preceding call \$7,798,000.

Will Realize Thirty Cents on the Dollar

It is thought that the depositors in the Citizens Bank at Story City will realize about thirty cents on the dollar following the disappearance of the cashier, M. V. Swan, and the subsequent closing of the institution. A hearing was held in Des Moines before Referee in Bankruptcy French last week. S. R. Corneliusen, a business man at Story City, was named trustee to sell the entire estate of the president of the institution, John Swan, father of the missing cashier. It is known that the entire fortune of the father will be far from ebbing enough to make good the losses of the depositors for the son took every available asset with him, including the cash at hand, with the exception of some small change. The elder Swan is crushed, and it is predicted that his health will fail rapidly since his desertion and enforcement into bankruptcy. In an earlier letter, the story of the escape of the cashier was told, his desertion of a wife three days before she was to give birth to a child, and of his efforts to borrow money throughout Iowa upon the bank's securities. For downright "cussedness" Young Swan has not been exceeded in Iowa in many years.

Capture Notorious Forger

The Burns Detective Agency and officers of the Iowa Bankers Association were successful in effecting the capture of Fulton C. Van Camp, alias C. J. Nelson, alias William Gallo-way, alias G. A. Work, etc., who was picked up at Hot Springs last week. Van Camp et al. is wanted in many places over the country, and it is probable that he will never be brought to trial in Iowa, where he is wanted for carrying out some smooth forgery projects. Van Camp came to Des Moines several years ago with a remarkable story from California. He declared that he had murdered his wife because of her unfaithfulness, but that he had been acquitted, and wanted to start in anew. He had recommendations on some of Luther Burbank's letter heads, and claimed to be an expert gardener. He was given a position, and was doing well until he suddenly turned up missing, and the next heard of him was when two checks turned up on the Citizens National of Des Moines with forged signatures. Van Camp was again heard from at Waterloo, and again at Algona, and forged checks followed his appearance in both cases. The Iowa Bankers Association was notified, and Secretary Hall came within a few minutes of getting his man at Algona.

Death of John R. Barnes

John R. Barnes, aged 79 years, and one of the oldest bankers in the state, died at Oska-loosa April 22d. He had been ill for several years. The deceased was one of the organ-

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITORY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VECHTEN, President
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SROUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

The comptroller of the currency has approved the application for the new Commercial National at Storm Lake. The capital stock will be \$50,000. P. C. Toy, H. J. Cruse, J. Deland, F. F. Faville, and J. F. Toy are interested.

izers of the Mahaska County State in 1883, and was cashier of the institution for many years until forced to resign because of ill health. Mr. Barnes had filled many responsible positions in his life. He was county treasurer, county commissioner, member of the school board, and filled other offices in the earlier days. He came to Iowa in the early days, and in 1850 began a mercantile business at a town named Rochester on the Des Moines River. The funeral was held April 24th.

New Means of Forgery

Here is a new idea in the way of a forgery. In September two years ago, a Greek deposited a small amount of money in a bank at Jamaica. When his certificate of deposit was handed him, a blank slip was torn off by accident. The slip was missed because each was numbered, but it was thought that the printer had made a mistake. The incident was forgotten until the other day, a year and a half later, the certificate showed up filled out for \$410.50, and signed by the president of the bank in a manner that the president would never recognize as his own signature. The deposit slip had been cashed, but it is not known by whom.

Black Hand Scare at Seymour

Seymour, Iowa, has had a black hand scare that appears to be related in some way to the failure of the Farmers and Drovers Bank there some time ago. It seems that many letters have been received, but when Mr. O. A. Cover received one threatening the life of his little child unless he would place a sum of money at a certain place, the case was turned over to the postoffice department. It was discovered that the letters were being mailed on the train. But evidently the sender grew suspicious for shortly before the postal inspectors reached the city, the person under suspicion left Seymour.

Iowa Banking Notes

Officers have been chosen for the new bank which opens at Woden with a capital stock of \$15,000. A. C. Ripley, representative in the legislature from Hancock county, is president; F. M. Hanson is vice-president, and J. J. Cosgrove is cashier. It is expected to open the institution, May 15th.

Ernest R. Moore, well-known Cedar Rapids banker, has made formal announcement of his candidacy for national republican committee-man from Iowa to succeed E. E. Hart of the First National at Council Bluffs. John T. Adams of Dubuque is also a candidate.

The directors of the First National at Davenport have declared a semiannual dividend of 5 per cent. It was payable May 1st.

A. B. Leach & Co. of Chicago successfully bid in the refunding bonds of \$147,500 issued by the Des Moines school board. The company pays a premium of \$3,425. The bonds bear $4\frac{1}{2}$ per cent.

According to reports in Des Moines, Thos. Lockman has purchased a controlling interest in the Albia State at Albia.

G. W. Hammond has been chosen cashier of the Citizens Savings at Dallas Center.

The Gravity Bank at Gravity has changed hands, and will be known hereafter as the Gravity State. Thomas H. Read is president; C. B. Baily, vice-president, and J. N. Banks, cashier.

The Farmers Savings at Guthrie Center has opened its doors. The officers are H. A. Elliott, president; A. L. Hager, president Commercial Savings, Des Moines, vice-president; A. H. Sayre, for nine years treasurer of Guthrie county, is cashier.

The Citizens National at Cedar Falls is in its new quarters. This is one of the finest bank

buildings in Iowa, modern, up to date, and thoroughly equipped. The bank was opened with a reception, and a stream of pleased visitors passed in and out all day.

The German Savings at Melvin is a new institution. The capital stock is \$20,000. Geo. Schee is president, and G. A. Schee is cashier.

President Carskadden of the Muscatine Savings at Muscatine has retired from active service in the management of the institution after many years. He is a partner of Congressman I. S. Pepper, and the latter's business in congress has caused Mr. Carskadden to keep too busy to devote the attention to the bank that it requires.

Sioux City

By JOHN J. BIDDISON.

Slightly more deposits and slightly less available cash is indicated by the national bank statements of this city for the close of business April 18th, as called for by the comptroller. The available cash totaled \$5,277,465.83, as compared to \$5,746,101 at the last preceding statement; while the deposits amounted to \$14,649,706.10, as compared to \$14,282,356. Itemized, the banks made showings as follows:

	Available Cash	Deposits
First National . . .	\$2,221,553.46	\$6,745,173.92
Security National . .	1,220,156.04	3,569,509.80
Livestock National . .	835,422.98	2,022,177.55
Bank of Commerce . .	565,968.02	1,065,633.31
Northwestern Nat'l . .	435,395.33	1,247,220.52

J. F. Toy Back from California

James F. Toy, president of the Farmers Loan and Trust Company, has returned after a winter spent in California. He has resumed his duties at the bank, delighted to get back to Iowa. Mrs. Toy will remain in Los Angeles until June. Mr. Toy has decided he prefers his home state, despite the fact that southern California is having a wonderful growth, and land values are "out of sight" as compared with those of Sioux City.

Appointed Trustee of Failed Bank

S. R. Cornellsusson, a retired business man of Story City, Iowa, has been appointed by the referee as trustee to sell the property of the failed Story City private bank, of which the aged John Swan is president. The bank, owing to the defalcation of the cashier, will not nearly pay its creditors in full.

A Narrow Escape

Charles Worcester, a banker of Witten, S. D., may thank his lucky stars that Dick Fool Bull, a renegade Indian, did not have a gun when he thought he had. Mr. Worcester was hitching a horse on the main street of the town, when the red skin, who has served time in the South Dakota penitentiary, and is known as a bad man as well as a dead shot, appeared on the scene drunk as a lord, and looking for gore. When he sighted Worcester, he reached for his overcoat pocket, announcing that he was going to "get" him. The gun was not there, for the reason that another Indian had robbed this fellow of it, so the gore had to go unshed.

Banking Notes of Interest

Group 10 of the South Dakota Bankers Association, at its meeting in Faulkton, S. D., elected the following officers: President, G. C. Meadows, Ipswich; vice-president, G. A. Dixon, Seneca; secretary-treasurer, G. C. Pierce, Selby.

Chris. Schmidt, Sr., father of Chris. Schmidt, president of the Blair, Neb., National Bank, was found dead in a field five miles south of Blair. He had started out with a

loaded manure spreader. It is thought he was stricken with paralysis and fell underneath. Although dead, the wheels of the wagon had not passed over him.

NORTH CENTRAL WASHINGTON BANKERS LEAGUE

(Continued from page 25)

by Prof. W. O. Dow, of Wenatchee, on the subject of intensified and diversified farming, comparing our inefficient methods with the more productive methods of Germany, France and England and calling attention to the fact that if the sum spent for the manufacture, equipment and maintenance of one battleship only were expended in the improvement of our farming methods, an agricultural experiment station could be established in every county of every state of the Union and a necessary sum provided for the maintenance thereof. After a brief discussion by W. T. Clark, of Wenatchee, on the marketing of fruit the afternoon meeting was adjourned.

In the evening a banquet was spread by the ladies of the Methodist church, after which the following program was rendered: Reading by Mrs. Jasper, of Spokane; Sleight-of-hand by E. V. Klein, of the Traders National, Spokane; address by H. G. Sampson, of Spokane.

On Thursday morning, April 25th, after a twenty-mile automobile excursion, the meeting was called to order by the president at 10:30 A. M. W. D. Vincent spoke on the "back to the farm" movement and agricultural and vocational education. Thos. H. Brewer interested his auditors by a relation of his eastern trip and the effect of the Panama Canal on the transportation and industrial problems of the Northwest. He stated that the canal would bring a great influx of immigration and tend to solve the labor question. He also spoke of the experience of eastern fruit dealers with the western apple. The eastern fruit dealer claims that the eastern apple is just as good as the western apple, but the perfection of growth and appearance which the western apple attains easily makes it the best seller, bringing as much as ten cents and even fifteen cents apiece. Charles E. Cline, of the Pullman Agricultural College, stated that the agricultural and industrial development and the problem of properly marketing farm products were the two great questions to be solved in the Northwest. W. L. Clark, of the Spokane and Eastern Trust Company, complimented the members of Group 1 on their enthusiastic meeting. He stated that from the standpoint of the member and from the standpoint of efficient work, the opportunities the group meetings presented to originate ideas made them an important and indispensable adjunct of the State Bankers' Association and predicted that their influence would continue to widen. At this meeting the following officers were elected for the ensuing year: President, E. C. Davis, cashier, Davis & Bassett, Ephrata; vice-president for Chelan county, Robt. B. Field, cashier, Leavenworth State Bank, Leavenworth; vice-president for Okanogan county, Roy Dorothy, cashier, First National Bank, Brewster; vice-president for Grant county, H. T. Jones, president, Hartline State Bank, Hartline; vice-president for Douglas county, M. E. Lies, cashier, Douglas County Bank, Waterville; secretary, E. C. Carter, assistant cashier, the Waterville Savings Bank, Waterville.

The next place of meeting was left to the executive council. Group 1 will ask for recognition on the program at the next State Bankers Association convention to be held in Tacoma and Prof. W. O. Dow, of Wenatchee, will be their orator. After adjournment A. L. Rogers presented each banker present with E. Davenport's excellent book on "Education for Efficiency."

President Hulley, of Stetson University, Before Florida Bankers

This able educator sums up the good points in the National Reserve Association plan in a most telling way. His address in part

A remark by one of your members on the floor makes it necessary for me to preface the exposition of this bill by a statement of my own position in regard to it. Dr. L'Engle, in the goodness of his heart and in all kindness, stated to you that Governor Jennings and myself are opposed to this bill. I cannot speak for Governor Jennings, but I want to emphatically correct the impression you received with regard to myself. I am heartily in favor of this bill. (Applause.)

When I first began the study of it, I saw some objectionable things in it, but on the whole it is a good bill. I am not here as an advocate of it and hold no brief for it, but would merely expound the matter as I understand it, and then leave it to you for discussion. I understand that some of you are in favor of the bill, and that some of you are opposed to it, and I also understand from some of you that you do not know anything at all about the bill. (Laughter.)

At the start we must distinguish 3 things: (1) This bill now before Congress, (2) The Report of the Monetary Commission, and (3) the work of the National Citizens' League. This bill is not Mr. Aldrich's report, but is based on it, and further this bill is not the child of the National Citizens' League, although they seem to have adopted it. The bill stands on its own merits; it has back of it, to be sure, the careful researches of the monetary commission and the wisdom of the American bankers expressed through the National Citizens' League. The latter league was organized to promote a system of sound banking and currency. It is a little like the Sound Money League of New York City. The agitation for better banking and currency laws brought about investigation, research, co-operation, and the result is this bill. It is not a perfect bill, it cannot possibly embody everybody's views, but it is the best working hypothesis before the American people to-day. I have made a chart analyzing the bill into its parts and have placed it on the wall before you to help us as we proceed. Following the divisions on the chart, we will discuss the National Reserve Association under 5 heads: (1) Its Organization; (2) Its Administration; (3) Its Functions; (4) Its Profits; (5) Its Purposes.

Organization of the National Reserve Association

As to its organization, it is to be a National Reserve Association. Those who get no further than the name imagine that it is to be a huge monopoly, an octopus. They confuse it with the Second United States Bank, which Andrew Jackson put out of business. This bill has none of the offensive features of the Second United States Bank.

This Reserve Association is to be located in Washington, the political and administrative center of the country's life, rather than in New York City, which is the financial center. This removes it from Wall Street, and indicates the purpose that runs all through the bill—to keep it away from the control of any so called money trust. The capital of the National Reserve Association is a variable quantity. It may be put approximately at three hundred million dollars. The amount will vary in proportion to the number of banks that go in. Those who enter must subscribe to the stock of the association up to 20 per cent of the capital of their own bank, no more and no less. The capital stock of the Reserve Association will, therefore, vary according to the

number of those who join it. National banks, state banks and trust corporations are eligible, but none of them have to go in. Individuals cannot subscribe. Since no one knows how many banks will subscribe, no one can say what the capital stock will be. Of the amount subscribed, 10 per cent only must be paid in, the other 10 per cent represents a liability, which may never be called. It is merely a liability. Only 10 per cent of the unimpaired capital of a subscribing bank is paid into the association.

Objection might be made to locking up 20 per cent of a bank's capital in this reserve association, but the bank locks up only 10 per cent, and this is more than compensated for by the larger power of note issue, which will be given to every bank under the law. If it seems objectionable, it is not so when compared with advantages elsewhere conferred by the association, and also compared with the disadvantages of the limited note issue under the present national banking law.

One should not lose sight of the fact that this association does not take in individuals. Its stock is not transferable to individuals, nor can any bank have more or less than 20 per cent. It is a sort of bankers bank; it does not interfere with any bank's services to individual stockholders, or customers of individual banks. It is in no sense a competitor of the banks, nor is it in any sense a creature of Wall Street, nor of a money trust. It deals with all banks alike in this country. In its provisions for banking in foreign countries it does give rights to individuals.

In calling the reserve association a sort of bankers' bank, I do not mean to imply that it does all kinds of commercial banking. In one sense it is not a bank at all. It is a kind of clearing house where banks get together for mutual service.

Administration of the National Reserve Association

How is this mechanism to be worked? To begin with, every bank is to manage its own affairs just as it does at the present time. It elects its own board of directors, chooses its own officers, builds up its own list of customers, charges its own rate of interest, and performs its own local business in its own way just as at present. In none of these important things does it take orders from anybody above it. There is not anybody with any more control over it than the government exercises at the present time. A state bank going in would have to conform to the present law controlling the capitalization of a national bank; but that is to put them on a plane of equality and does not interfere with their method of doing business.

When individual banks form themselves into local associations, they control those associations; they elect the directors and make the by-laws of the local association. The little and the big banks all have an equal voice in the selection of three-fifths of the directors of the local association and in the selection of the other two-fifths they vote in proportion to

their size—the bigger the bank the more votes it has for the reason that it has more capital at stake. All the directors of the local association will thus be composed as the Congress of the United States is. In the senate the big and the little state are equally represented. In the house, the bigger the state in population the bigger its representation. But every bill to become a law must go through the two houses. You can apply this analogy to the three-fifths and the two-fifths of the local association.

I might say that the bill takes precaution to prevent the formation of a bank's monopoly, or a politician's monopoly, or, in other words, it aims to democratize the institution. It safeguards the business, industrial and commercial interests of the country by requiring that the directors shall not be merely bankers; and in some respects it keeps out the politicians altogether.

Just as the individual banks control the formation and the elections of the local association, and just as the local association controls the election of directors of the districts, so now the districts control the election of the board of directors of the National Reserve Association itself.

The Functions of the National Reserve Association

We must not dwell any longer on the structural form of the association. An analysis of it ought to kill any bogies in our minds in regard to centralization. We pass now to the consideration of its functions.

In the first place it is to act as the fiscal agent of the United States government. That does not put it in politics, as the captious critic objects. The United States will bring its deposits from the treasury to this association in its various branches. The government will make its disbursements through this bank and its branches. Government bonds and securities will be handled by this association. In addition, it shall be the fiscal agent of the banks in its membership. It will not pay interest on deposits, neither will it prohibit its members from depositing elsewhere where they can get interest. It will act as reserve agent. It will act as a clearing house. It will guarantee the credit of its members. All of these things it will do under safeguards and limitations, consistent with security. The new Reserve Association may purchase prime bills, and bonds, and gold and silver, checks and bills of exchange, not as a competitor, but as a co-operating agency of the banks. It makes a special provision for any of its banks to open up banking accounts in various countries and to establish agents abroad. This is needed to bring to America some of the world's trade which we are losing.

The Profits of the National Reserve Association

Those who fear the central bank monopoly idea such as Andrew Jackson hit in the Second Bank of the United States, would do well to compare that bank with this association. That was a bank, this is an association; that bank was run for profit, this association for the convenience of its members; that bank made its stockholders rich, this association aims to make conditions right all over the country, making it possible for the whole country to prosper without the danger of panics, and without barriers in the way of legitimate progress. This association aims to earn a small dividend for its shareholders, and

turns all other profits over to the general government.

The Purposes of the National Reserve Association

This head will run into that of functions somewhat. The great purposes of this association are with respect to reserves, currency, banking co-operation, the establishment of a foreign business, and the broadening of the home market. These five things will be discussed now in that order.

Taking the bill as a whole, it is a good one. Remember that no bill could meet the requirements of all persons. No one wanted the United States Constitution just as it was formed. It was a system of compromises. It is just what this bill is, a system of compromises, between the conflicting and varied ideas on the subject held by many persons. It is the best thing, however, on the subject that has been submitted to the American people since the Civil War. Many minor qualifications of the bill I have omitted in the discussion due to lack of time. The bill is its own best commentary.



THE BEST OF THE NEW BOOKS

A book by Charles Major is an event in the literary world. His newest one (Macmillan Company, New York) is "The Touchstone of Fortune," and is rated the best yet from this gifted writer. Major knows how to turn out stories that insist upon being read, and is wise enough never to overcrowd. Several years have elapsed since the publication of the last new Major novel. Therefore, "The Touchstone of Fortune," being the "Memoir of Baron Clyde, who lived, thrived and fell in the doleful reign of the so-called merry monarch, Charles II," of England, is warmly welcomed indeed.

Like its predecessor, this long and stirring romance is built around real people—Frances and Sarah Jennings, Nell Gwynn, John Churchill and others—the crux of the plot being the sale of the city of Dunkirk to the French. A closing note admits that "Baron Clyde seems to be the only writer of the period, who mentions the part taken by the fair Frances and her ardent lover, George Hamilton, in "that disgraceful affair," and that "there appears to be some ground for the criticism" in this and kindred particulars. "But in all essential respects the baron's history is held, justly, to be true to facts and conditions," and it certainly makes good reading.

From the moment when Frances prepares to redeem the fallen family fortunes by taking service as maid of honor to the Duchess of York, wife of the heir presumptive, until the time when, Hamilton being off for France, she dares all to go with him, the reader's interest is held taut and true as a bowstring. And scarce one of the three hundred closely printed pages but is thronged with exciting incidents and scenes. "The Touchstone of Fortune" has a full measure of the charm of "When Knighthood was in Flower."

Also from the Macmillan Company comes "White Ashes," the joint work of Sidney R. Kennedy and Alden C. Nobel, in a collaboration on a big fire, and on insurance underwriting.

The hero is general agent of a New York company, the vice-president of which plays the part of a lordly villain, deserting to become president of a rival company. How the older organization is harassed and crippled; how enormous losses, due to a great conflagration, operate for its rehabilitation; the wiles and devious ways of brokers and agents and the attitude of the average insurer toward those willing, for a consideration, to assume his possible burden of loss—these are main factors in the author's elaborate attempt to infuse ro-

mance into the strictly modern process of dividing fire losses among all the members of a community.

The character types—mostly from the insurance world—are sharply drawn, with touches of realism savoring at times of pure description rather than imaginative invention. They move and aberrate largely in regions unknown to contrivers and readers of fiction. The devices they employ in plotting and counterplotting, in open action or in secret intrigue, are complicated and unfamiliar at first sight, and remain so to the end.

"The One-Way Trail," by Ridgwell Cullum, is a charming story from the George W. Jacobs Publishing Company, Philadelphia, and is the very latest romance from the cattle country. It is a tale of ranching in Montana, in which realistic descriptions of rude, wild life are assembled in a series of dramatic episodes, with the love of two men for one woman as an inspiring and dominant motive.

It is the wrong man whom the heroine has chosen, as appears later in the narrative, when the fortunate one turns cattle rustler, and his luckless rival becomes the central figure in a near-lynching party.

A sturdy, philosophic miner; a free-spoken, masterful doctor; a big rancher, with many herds; a malevolent, crippled boy, brother of the heroine; a snarling, spiteful storekeeper, with numerous minor characters peculiar to rough life in districts devoted to cattle raising—with this diversified personnel the novelist creates many vivid scenes, brightened with

rough native humor and reflecting strongly the salient characteristics of western ranch life.

There is appositeness and a certain nervous strength in the contrasting types. Novelist Cullum is a master hand at this form and in this field of native fiction—and the story swings along powerfully and picturesquely to the end.

From the same publishing house (Jacobs, Philadelphia), comes "The Stake," by Jay Cady. It is a New England coast story in which there is fine local color, which relates largely to a love affair between a pretty Boston girl and a young man who has saved her from death in a storm off shore. The "stake" includes a valuable copper region in Michigan, owned by the hero, and coveted by the heroine's father. Quaint New England characters and customs are sketched in the narrative with accuracy and spirit.

From the Harper Brothers Publishing Company of New York, comes another romance, which deals with the fascinating life of a man and a woman in the far north, on the shores of Hudson Bay. It is by James Oliver Curwood, and is entitled, "The Flower of the North." Mr. Curwood's more recent successes have been "The Danger Trail" and "Philip Steele." The scene is laid in a country which the author has made attractive to thousands of readers all over the world. In former times frontier stories were laid in our own western country, but civilization has moved forward until the romantic adventures of conquest in a new country have been transferred to the wilds of the Canadian Rockies. Other writers, who have made this form of fiction attractive are Grey, Bindloss and Carleton, but it can be said truthfully that Mr. Curwood seems to get closer to nature and to give his characters the truest of adventurous spirits. Mr. Curwood himself is an adventurer and explorer, and has spent years in traveling in the very country which he so faithfully describes in his "Flower of the North." He places his hero, a young American, in charge of the interests of one of the great Hudson Bay fisheries companies, and surrounds him with an involved plot, full of intrigue and deadly peril. There are conspiracies against him at headquarters as well as dangers awaiting him in the field. He rescues his sweetheart from a band of desperadoes and defeats his opponents, winning in the end the heart and hand of the mysterious girl, who figures in so many thrilling episodes. The price of the book at all book stores is \$1.30 net.

From the author of the "Colonel of the Red Hussars" and "Beatrice of Clare" we have a splendid new volume entitled "The Last Try." This is rated one of John Reed Scott's very strongest efforts, even surpassing the "Princess of the Dehra." The scene of this strong attractive novel is in Valeria, Mr. Scott's land of romance, and the scene of nearly all of his other fiction successes. It is a charming and captivating romance, and remains fascinating until the end. The dialogue is lively and sprightly and compares favorably with the author's best work. In the matter of incident every care has been taken to bring out all of the mystery, romance, love and beauty, which abound in bewildering profusion. There are dukes, kings, court ladies and court jesters in great plenty. The ending is in Mr. Scott's happiest vein, and will be entirely satisfactory to his large army of readers. The book is beautifully illustrated, and splendidly bound. It is published by J. B. Lippincott Company of Philadelphia, at \$1.25 net.



The Guaranty State Bank of Hooks, Bowie county, Texas, has been incorporated by E. L. King, J. W. Smith, J. W. Stewart and others.

(OFFICIAL PUBLICATION)		
Report of the Condition of		
The Franklin Trust & Savings Bank		
Located at Chicago, State of Illinois, before the commencement of business on the 19th day of April, 1912, as made to the Auditor of Public Accounts of the State of Illinois, pursuant to law.		
RESOURCES		
1. LOANS:		
Loans on real estate.....	\$ 34,300.00	
Loans on collateral security.....	64,633.42	
Other loans and discounts.....	200,779.49	\$299,712.91
2. INVESTMENTS:		
Other bonds and securities.....	65,700.00	65,700.00
3. MISCELLANEOUS:		
Furniture and fixtures.....	2,522.14	2,522.14
4. DUE FROM BANKS:		
State.....	157,815.97	
National.....	26,459.23	184,275.20
5. CASH ON HAND:		
Currency.....	19,945.00	
Gold coin.....	1,387.50	
Silver coin.....	1,931.85	
Minor coin.....	384.92	23,649.27
6. OTHER CASH RESOURCES:		
Checks and other cash items.....	405.81	405.81
TOTAL RESOURCES.....		\$576,265.33
LIABILITIES		
1. CAPITAL STOCK PAID IN.....		\$200,000.00
2. SURPLUS FUND.....		50,000.00
3. UNDIVIDED PROFITS.....	\$ 15,187.07	
Less current interest, expenses and taxes paid.....	1,471.38	13,715.69
4. DEPOSITS:		
Time certificates.....	2,940.96	
Savings, subject to notice.....	9,952.20	
Demand subject to check.....	207,322.12	
Demand certificates.....	824.19	
Cashier's checks.....	30,502.17	257,551.64
5. DUE TO BANKS, including certificates of deposit:		
State.....	10,000.00	
National.....	44,998.00	54,998.00
TOTAL LIABILITIES.....		\$576,265.33
I, Edgar F. Olson, Cashier of The Franklin Trust & Savings Bank, do solemnly swear that the above statement is true to the best of my knowledge and belief.		
EDGAR F. OLSON, Cashier.		
STATE OF ILLINOIS,) ss, COUNTY OF COOK)		
Subscribed and sworn to before me this 25th day of April, 1912.		
[SEAL]	MILDRED SUTTON, Notary Public	

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

BANK FIXTURES FOR SALE

For Sale Cheap, 300 second hand safe deposit boxes, in four sections. Will sell either 122 or 168 boxes. Good proportion of small and large. Good condition. Write for full description. Southern Illinois Trust Company, East St. Louis, Ill.

FOR SALE—Miscellaneous

1-A Reflex, focal plane shutter, Color-six-inch lens. Cost \$84.50. Like new, \$45.00. Address, X-44, Chicago Banker.

1-A Graflex, 1C, Tessar lens, focal plane shutter (new out of stock), value, \$101.50. Sell, \$85.00 Cash. Address, X-55, Chicago Banker.

4x5 Goerz-Argo, latest model, Color lens, shutter from five seconds to 1/1000 second, case, holders and film pack adapter. Cost \$165.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale, 9 1/4-inch Goerz Dagor, Volute shutter, value \$97.50. Sell for \$50.00, like new. Six-inch Dagor, Koilos Shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale, Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safeguard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

History of Banking in the United States. John Jay Knox. \$5.00.

Practical Banking. Claudius B. Patten. \$5.00.

Modern Banking Methods. A. R. Barrett. \$4.00.

Elements of Foreign Exchange. Franklin Escher. \$1.00.

Gold Production and Future Prices. Harrison H. Brace. \$1.50.

Pushing Your Business. T. D. MacGregor. \$1.25.

Economic Causes of Great Fortunes. Anna Youngman. \$1.50.

Neglected Point in Connection with Crises. N. Johannsen. \$1.50.

Monies of the World. James P. Gardner. 50c.

Bankers' and Merchants' Perpetual Maturity Guide. \$5.00.

Trust Companies—Their Organization, Growth and Management.

Clay Herriek. \$4.00.

Savings Bank and Its Practical Work. Wm. H. Kniffin, Jr. \$5.00.

Practical Treatise on Banking and Commerce. George Hague. \$3.00.

Banker in Literature. Johnson Brigham. \$2.00.

Bank Directors—Their Powers, Duties and Liabilities. John J. Crawford. 50c.

Credit Currency. Elmer H. Youngman. 50c.

Natural Money. John Raymond Cummings. \$2.00.

Two Thousand Points for Financial Advertising. T. D. MacGregor. \$1.50.

All or any of the above books will be sent, carriage prepaid, by

THE CHICAGO BANKER,

407 Monadnock Building, Chicago.

Frank L. Hilton has been appointed assistant cashier of the Merchants National Bank, New York.

ROBERT T. LINCOLN CORRECTS ROOSEVELT

Newark, N. J., April 29.—"My personal feelings," writes Robert T. Lincoln to President Taft, "are unimportant, but I am not only impatient, but indignant that President Lincoln's words and plain views should be perverted and misapplied before trusting people into support of doctrines which I believe he would abhor living."

Mr. Lincoln's letter was written, he says, in answer to a request for an opinion of "repeated assertions by Mr. Roosevelt that his attitude on certain radical doctrines is supported by the recorded views" of the martyred president, his father.

Mr. Lincoln in his letter says:

"The government under which my father lived was, as it is now, a republic or representative democracy, checked by the constitution, which can be changed by the people, but only when acting by methods which compel deliberation and exclude, so far as is possible, the effect of passionate and short sighted impulse.

"A government in which the checks of an established constitution are actually or practically omitted—one in which the people act in a mass directly on all questions, and not through their chosen representatives—is an unchecked democracy—a form of government so full of danger, as shown by history, that it has ceased to exist, or exists in communities small and concentrated as to space. A New England town meeting may be good, but such a government in a large city would be chaos.

"He (Abraham Lincoln) loved the government under which he lived, and when at Gettysburg he prayed (if I may use that word) that a government of the people, by the people, and for the people may not perish from the earth, he meant, and could only mean, that government under which he lived, a representative government of balanced executive, legislative and judicial parts, and not something entirely different—an unchecked democracy.

"These often quoted words of President Lincoln are now deliberately altered and argument founded on their altered form. I may be permitted to say that I do not think the public wishes the Gettysburg speech to be rewritten and its words changed by any one, however distinguished, for any purpose, least of all in order to support a proposition that President Lincoln could not possibly have had in mind."

NEW YORK BANK MERGER

Announcement has been made of the conclusion of negotiations for the absorption of the Gallatin National Bank by the Hanover National Bank. Deposits of the Hanover National are around \$100,000,000, and its capital and surplus \$16,500,000. The Gallatin's capital is \$1,000,000, its surplus 2,000,000, and its gross deposits around \$10,000,000. In connection with the proposed absorption of the Gallatin National Bank by the Hanover National Bank a special meeting of the stockholders of the Gallatin National has been called for May 27th to approve a resolution for the voluntary liquidation of the bank.

MINNESOTA BANK ORDERED CLOSED

Winnebago City, Minn., May 2.—The Bank of Commerce of this city was closed to-day by the state bank examiner and accountants are at work on the books. H. W. Parker, vice-president of the institution, is said to have left the city suddenly on Friday. It is reported he cashed a Bank of Commerce draft of \$2,000 at another bank before going. Until the accountants report, it will not be known whether a shortage exists. The bank is capitalized at \$20,000, has a surplus of \$3,000 and deposits of \$210,000.

PROMINENT PHILADELPHIA BANKER DIES

James H. Ritter, president of the Chelton Trust Company of Philadelphia, died on Monday of this week. He was fifty-three years old. Prior to his taking the presidency of the Chelton Trust upon its organization in 1906, Mr. Ritter was president of the Biddle Hardware Company, and of the Hardware Dealers Association. He also was president for many years of the Credit Men's Association. Mr. Ritter was a public-spirited citizen, taking a deep interest in civic matters.

AMERICAN LIBERTY AND PROPERTY ASSOCIATION

New York and New England manufacturers and business men have organized the American Liberty and Property Association, advocating self-help versus state help. It is to be a non-partisan organization for the upholding of property rights, maintaining the freedom of contract, and restricting paternalistic legislation. Robert Schalkenbach is chairman of the executive committee. Headquarters have been established at 29 Broadway, New York, where statistics are being collected and literature prepared for circulation, which is to combat the growth of socialism in the United States.

CINCINNATI BANKER HELD

Cincinnati, Ohio, May 2.—E. E. Galbreath, former president of the Second National of this city, was arrested here to-day by a United States marshal on a charge of misapplying the funds of the bank.

The warrant for Galbreath's arrest charged him with having wilfully and unlawfully misappropriated funds of the bank to the amount of \$33,000.

He pleaded not guilty to the charge and waived examination. Bond was fixed at \$15,000.

NEW BANK OPENED IN INDIANAPOLIS

The Marion County State Bank, the youngest financial institution in Indianapolis, closed its first day's business at eight o'clock on May 1st, with a record far in excess of the volume of business the officers had expected to transact. The opening day was a combination of business and pleasure, the officers forming a receiving line to greet the visitors. Souvenirs, flowers and cigars were given the callers.

The bank officers are: President, B. D. Brooks; vice-president, J. M. Gaston; cashier, John L. Duvall, and assistant cashier, Clarence C. Deupree. The directors are: Ora Powell, J. M. Gaston, B. D. Brooks, Everitt L. Deupree, and John L. Duvall.

Interest will be paid on time deposits. The bank is capitalized for \$25,000.

BANK ROBBERS GET MONEY

Hammond, Ind.—Bank robbers hacked their way into the First National Bank of Dwyer, seven miles below this city, shortly after midnight last Saturday morning, and cleaned out the contents of the cash drawer, taking a sum of money, the amount of which the bank officials refuse to make public. They were frightened away while in the act of dynamiting the steel vault, leaving their tools and explosives on the floor. Had they blown the safe, \$50,000 in cash awaited them.

New York.—The report compiled by the state banking department for the week ending April 27th shows total deposits of state banks outside of Greater New York to be \$111,577,000, a decrease of \$820,300.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

the banking business in the metropolis. Those who knew him out west believed that he could do it, and he has made good.

IT has been arranged that those who reach Briarcliff Lodge in advance of the big Chicago special train will have special notice of its arrival time. This will be attended to by the railway company so that there will be no delay whatever, when the members of council disembark at Scarborough-on-the-Hudson.

LATE reports from Briarcliff indicate that the golf course is in first class condition, and that the members taking their clubs along will not be disappointed. Recent photographs taken of the course show that it is one of the most attractive in the country.

THOUGHTFUL endeavor and service upon equitable terms are reflected in almost 50 per cent increase in the business of this bank during the past three years.—National Stockyards National Bank.

NATIONAL CITY BANK of this city invites "bankers and individual depositors to confer with its bond department in regard to the purchase or sale of securities. The bank carries a list of high-grade bonds, which have been purchased primarily for its own investment, and have passed the scrutiny of its careful investigation. The department gives special attention to the business of those who are unable to keep in close touch with the security markets, and who seek an unbiased recommendation in regard to their investments."

THE tabulation of the condition of the twenty-eight national banks of Pittsburgh, as published in response to the call of the comptroller of the currency, discloses a new high record for deposits, eclipsing that of last September by nearly \$3,000,000.

WITHIN the past year deposits in the Pittsburgh national banks have increased over \$6,000,000, and within the past sixty days \$4,000,000.

THIS reflection of the improvement in industry and business in that district is most gratifying. The aggregate deposits of the national banking institutions included is \$218,200,000, an impressive exhibit of the prosperity of the people of Pittsburgh.

SECRETARY KEYSER has sent us a green sunflower with bronze seal of the state in the center. It can be used by careless persons as a pen wiper, but is pretty enough for a souvenir of the Joplin convention, for which it will be used.

YARDE, OTIS & TAYLER, Chicago investment bankers, are sending out an individual signature blotter of rare beauty. An order for a few thousands of municipals will open negotiations for one.

FARMERS NATIONAL BANK of Hillsboro, Texas, is the oldest bank in Hill county. At the last call it showed deposits of \$216,916.63. The capital stock of the bank is \$50,000, and it has a surplus fund of the same amount. The bank states that its best efforts will be directed toward improving the service in every way to the end that those favoring it with their patronage may feel and know that their banking connection is dependable, and can be relied upon in hard times as well as in good. It has no public funds on deposit. W. M. Williams is president, and W. L. Embree is cashier.

THE executive committee of the Urbana-Champaign educational conference is hard at work in the preparation of a draft of a new educational bill affecting schools proposed to be established in Illinois. It is expected that

the educators and bankers composing the committee will reach a satisfactory conclusion, and that the proposed bill will be decided upon in plenty of time for consideration at the state convention to be held at Peoria on September 25th and 26th.

J. FLETCHER FARRELL, vice-president of the Fort Dearborn National, and treasurer of the American Bankers Association, has sent out a letter to each non-member bank in Illinois inviting it to become a member of the A. B. A. W. E. Turner of Taylorville, W. F. Schaeffer of Elkhart, and O. H. Wright of Belvidere are other members of the Illinois bankers executive council who have promised to co-operate in the matter of promoting this membership campaign. Robt. R. Ward, vice-president of the Benton State Bank; Frank G. Hudson, cashier of the First National at Charleston, and E. E. Crabtree of Jacksonville also have promised to assist in the matter.

HOMER A. MILLER, president of the Iowa National, and of the Des Moines Savings Bank, also is a director of the Equitable Life Insurance Company with headquarters at Des Moines. He speaks in glowing terms of the solid condition of this company and its management.

WILLIAM A. GIBSON, who so long and loyally supported the Chicago Association of Commerce as its executive secretary, now is assistant secretary of the National One Cent Letter Postage Association with headquarters at Cleveland, Ohio. It is understood that this association will present its proposition to the members of the executive council of the A. B. A. at the Briarcliff meeting.

"SCHOOL NEWS AND PRACTICAL EDUCATOR," for May, published by C. M. Parker at Taylorville, Ill., and read very widely by members of the Illinois Teachers Association, contains an article on the Urbana-Champaign conference of educators and bankers from the pen of J. H. Collins, superintendent of city schools, Springfield. Mr. Collins is a member of the conference.

FIRST NATIONAL of Deadwood, S. D., sends out a first-class statement. The last call showed deposits in excess of \$1,300,000, and resources of \$1,766,000. N. F. Franklin, president of the bank, will make the trip to Briarcliff as a representative of South Dakota on the executive council of the American Bankers Association.

A 6% Investment

We own and offer a limited block of a well-known equipment and real estate mortgage, secured by nearly two for one, with a clean financial record. These bonds are held by many banks—one prominent institution holds \$250,000 for its own investment. They mature in 1916 and may be obtained so as to net you 6%.

The full particulars will be promptly furnished to you—and without cost or obligation on your part, either.

D. Arthur Bowman & Company
INVESTMENT BANKERS

Third National Bank Building

ST. LOUIS, MO.

COPIES of the address of Lewis E. Pier-son, president of the Irving Exchange National of New York City, made before the Louisiana Bankers Association last month, are in circulation, and are creating favorable impression among bankers. It is expected that the address will be influential in bringing additional pressure to bear on the members of the committee on interstate commerce of the senate which is considering the Clapp-Stevens bill bearing on the subject of bills of lading.

FIRST NATIONAL of Minneapolis mailed out a series of postal cards on the subject of the American Bankers Association travelers' checks on April 13th, containing a splendid photographic reproduction of the monster steamship "Titanic." The singular part of it is that the one mailed to Walter Douglas, a director in the bank, and who perished on the ill-fated ship, was delivered to his Minneapolis address on the very day that the boat went down.

A WIRELESS from New York tells us that George E. Allen of the Institute will speak on the subject of "Agricultural Education" at the Buffalo convention of the New York bankers on June 14th.

THIS is served as fair notice that Joseph Chapman, Jr., "isn't the only hayseed" on the list of eligibles in the way of "farmer" convention talks.

IT will be remembered that the directors of the New York Bankers Association arranged the program so that a "restful trip to the Falls" will be taken right after Mr. Allen's effort.

GEORGE M. REYNOLDS, head of the biggest bank in America, is to speak at this convention on Thursday morning, June 13th. He has been allowed to choose his own subject and on one will be surprised if he refers indirectly to the matter of banking reform.

INDIANAPOLIS has had another important bank consolidation whereby the Indiana National takes over the Capital National, all to be under the presidency of Frank D. Stalnaker. Secretary Andrew Smith of the Indiana Bankers Association will be active vice-president of the combined institutions. The consolidation will give Indianapolis another bank of first-rank importance.

WE learn from Waterville, Wash., that those who heard A. L. Rogers, member of the board of regents of Washington University and member of the Country Life Commission, at the recent meeting of bankers, found that a new speaker of rare qualities on agricultural subjects has been discovered. The attention of state secretaries is called to this fact. The North Washington State League of Bankers will print Mr. Rogers' initial address in pamphlet form for distribution. Copies may be had by addressing George P. Wiley, cashier of the Waterville (Wash.) Savings Bank.

CASHIER.

NEW STATE SAVINGS TO OPEN

The Lincoln State Savings Bank, which was chartered a month ago, will be formally opened next Monday. It will be located at South State and Thirty-first streets. Edward Larson, formerly of the Oconomowoc Savings Bank, will be cashier.

The following constitute the board of directors: Charles A. White, president; G. F. Leibrandt, vice-president; Frederick A. Brown, Thomas W. Cole, Daniel Gawne, I. C. Newman, Charles Sorge, Joseph Schwartz, and Roy B. Tabor. The capital stock is \$200,000, and the institution will begin business with a surplus of \$20,000. A general banking business will be conducted, but special attention will be given to real estate loans.

ALL BRANCHES OF BANKING

1857



1912

ORSON SMITH - - - President	P. C. PETERSON - - - Assistant Cashier
EDMUND D. HULBERT, Vice-President	C. E. ESTES - - - Assistant Cashier
FRANK G. NELSON - Vice-President	LEON L. LOEHR - Sec'y and Trust Officer
JOHN E. BLUNT, Jr. - Vice-President	F. W. THOMPSON, Mgr. Farm Loan Dep't
J. G. ORCHARD - - - - - Cashier	H. G. P. DEANS - - - Mgr. Foreign Dep't

CAPITAL AND SURPLUS - \$9,000,000



If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago

Correspondence Invited

THE NATIONAL CITY BANK
OF CHICAGO

Capital - - - - -	\$ 2,000,000.00
Surplus and Undivided Profits	587,563.63
Deposits - - - - -	30,713,013.20

OFFICERS

ALFRED L. BAKER - - - - -	DAVID R. FORGAN, President	HENRY MEYER - - - - -	Assistant Cashier
H. E. OTTE - - - - -	Vice-President	A. W. MORTON - - - - -	Assistant Cashier
E. A. CRANDALL - - - - -	Vice-President	WM. N. JARNAGIN - - - - -	Assistant Cashier
L. H. GRIMME - - - - -	Cashier	WALKER G. McLAURY - - - - -	Assistant Cashier
W. T. PERKINS - - - - -	Assistant Cashier	R. U. LANSING - - - - -	Manager Bond Dept.
W. D. DICKEY - - - - -	Assistant Cashier	M. K. BAKER - - - - -	Asst. Manager Bond Dept.

An Up-to-Date Bank cannot long

combat the

71¢
PRESS ONLY ONE KEY
PAYS MONEY



Pressing ONLY ONE KEY
Completes the Transaction

money-saving argument of labor-saving equipment, especially when our machine must make good on your own counter.

The Brandt Automatic Cashier is used and endorsed by

Over 5000 Bankers

It is infallibly accurate and saves 25% in time. A moment's time, a postal will bring full particulars of our interesting offer to bankers.

BRANDT CASHIER COMPANY
727 SO. DEARBORN ST. - - - CHICAGO

New Trains to ST. LOUIS

VIA THE

NEW ALL-STEEL TRAIN
DAYLIGHT SPECIAL

Leaves Chicago 10:02 a. m., arrives St. Louis (via Merchants Bridge) 6:02 p. m. New Indestructible Steel Cars of Handsome Interior Finish. Every comfort and convenience will be found on this train.

NEW EVENING TRAIN
ST. LOUIS EXPRESS

Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m. An up-to-date train in every particular, with an early evening departure from Chicago.

New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped throughout, with a late evening departure from Chicago. Stops made in both directions at South Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars, Sleeping Cars. Free Reclining Chair Cars and Coaches.

ALL TRAINS ELECTRIC LIGHTED

TICKETS, FARES AND SLEEPING-CAR RESERVATIONS AT

ILLINOIS CENTRAL

City Ticket Office 76 W. ADAMS ST. Commercial National Bank Building
R. J. CARMICHAEL, D. P. A. Phone Central 6270

Fourth Street National Bank
OF PHILADELPHIA

Capital - - - \$3,000,000.00

Surplus and Profits 6,500,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board	FRANK G. ROGERS, Vice-President
E. F. SHANBACKER, President	R. J. CLARK, Cashier
JAMES HAY, Vice-President	W. A. BULKLEY, Assistant Cashier
B. M. FAIRES, Vice-President	W. K. HARDT, Assistant Cashier

The Girard National Bank
OF PHILADELPHIA

Capital - - - \$2,000,000

Surplus and Profits 4,716,000

Deposits - - - 46,275,000

FRANCIS B. REEVES
President

RICHARD L. AUSTIN
Vice-President

T. E. WIEDERSHEIM
Vice-President

JOSEPH WAYNE, JR.
Vice-President & Cashier

CHARLES M. ASHTON
Assistant Cashier

CHARLES F. WIGNALL
Assistant Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

MAY 11, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago Illinois, under Act of March 3, 1879

10 CENTS A COPY

At Briarcliff

This was essentially a reform session of the Big Council. The "hang on" committee system of doing the work of the association was abolished. Councilmen will do the work hereafter. General Counsel Paton was raised to equal rank with the General Secretary Farnsworth. Committeemen hereafter must pay their own expenses, just as the famous Chapman agricultural committee has been doing. Some of the wiser committees saw the storm-cloud at a distance and resigned.

First Day's Session

The chairman of the finance committees of the house of representatives and the senate and the speaker of the house were told in dispatches that the executive council of the American Bankers Association, in session at Briarcliff Lodge, had unanimously indorsed the bills now pending in congress favoring the study of farming conditions throughout the country. This resolution was adopted at the meeting:

Whereas, At least twenty state bankers associations in as many different states are appointing or have appointed committees working for agricultural development and education, and

Whereas, The American Bankers Association, comprising 12,500 banks, has shown its deep interest in agriculture and these efforts in its behalf by appointing a standing committee on agricultural development and education, and

Whereas, These committees and associations are working for the field demonstration bills now before congress; now therefore

Resolved, That the executive council of the American Bankers Association hereby recommend to the congress of the United States now in session the adoption of legislation and liberal appropriations in such work.

The council was in session throughout the day. Nearly every member was present, and sat patiently through the proceedings, because there was no inducement to venture forth in the rain-soaked country.

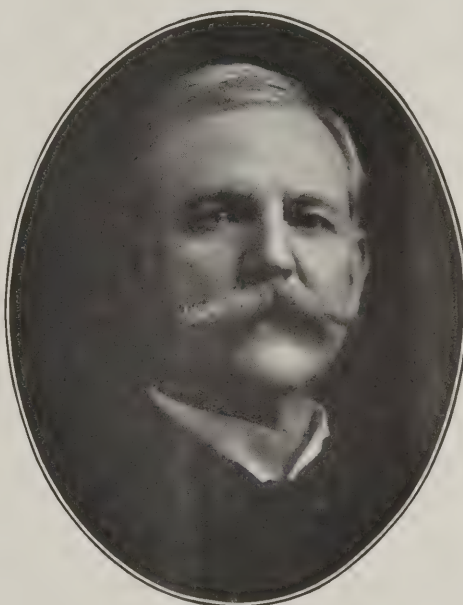
A committee was named to formulate plans for submission to the national convention of the association in the fall to make all of the laws relating to trust funds and estates uniform.

Pierre Jay, chairman of the law committee, submitted an extensive report asking all banks to express an opinion on the subject of providing legislation to restrict the investment of savings bank deposits to certain specified securities. This report evoked much debate. The report was tabled, but it will be taken up again at the national convention.

But the greater part of the day's work was devoted to discussing the report of the committee on agricultural and financial development and education. There was no dissenting voice against the proposal that the bankers ought to take an active interest in teaching the farmers the very best methods of cultivating their farms, and how to rotate in crops so as to make the soil yield the greatest harvests, and in the general education of the youth, so that they might grow into good farmers.

(Continued on page 8)

Texas Bankers Association Officials



WM. R. HAMBY
President Citizens Bank and Trust Company, Austin
President



J. W. HOOPES
Vice-President Austin National Bank
Secretary

Jas. G. Wakefield

James G. Wakefield, assistant cashier of the Corn Exchange National, has been out of the city attending the sessions of the convention of the Texas Bankers Association held at San Antonio on May 7th, 8th and 9th. Mr. Wakefield will visit San Antonio, Fort Worth, Dallas and Tulsa, and expects to be back in Chicago on May 12th.

TEXAS BANKERS ENDORSE CURRENCY BILL

San Antonio, Texas, May 9.—After a spirited fight to-day the Texas Bankers Association refused to endorse the stand of the Texas delegation in congress in its opposition to the Monetary Reserve Association plan, and adopted resolutions favoring the passage of that measure.

Galveston was selected as the next meeting place and the following officers were elected:

H. R. Eldridge, Houston, president; A. W. Wilkerson, Bryan, vice-president. District No. 1; P. A. Presnall, Alive, vice-president, District No. 2; C. L. Wilkins, Brenham, vice-president, District No. 3; R. C. West, Hillsboro, vice-president, District No. 6; George M. Wofford, Athens, vice-president, District No. 5; E. D. Walker, Brownsville, vice-president, District No. 6; F. H. Sherwood, Gainesville, vice-president, District No. 7; J. W. Hoopes, Austin, secretary; Rufus McCoy, Fort Worth, treasurer; Earnest L. Brown, San Antonio, assistant secretary.

BANKERS RETURN FROM BRIARCLIFF

C. H. McNider, president of the First National Bank of Mason City, Iowa, stopped off at Chicago on his way back from Briarcliff where he has been attending the sessions of the executive council of the A. B. A. Mr. McNider reports that the outlook for good crops in his state is very encouraging. Geo. B. Caldwell, vice-president of the Continental and Commercial Trust, also has returned to the city, while George M. Reynolds, president of the Continental and Commercial National, is expected back the first of the week.

MONEY SITUATION

Country banks seem to be easy. A fair amount of commercial paper is being bought, the rates for same having a tendency towards greater ease. It is difficult to get good material above 4 per cent. Favorable conditions prevail in country banks despite the unfavorable reports which have come from the winter wheat fields. Out-of-town correspondents advise that in many cases the fields have been ploughed and seeded with corn and oats.

NEW CHICAGO BANK AUTHORIZED

State Auditor McCullough has issued a permit to H. L. Thornburgh, Lathrop Lee Brown, and Guy M. Blake for the organization of the Jackson Trust and Savings Bank, with a capital stock of \$200,000, and a charter tenure of ninety-nine years.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS	- - -	President
RALPH VAN VECHTEN	- - -	Vice-President
ALEX. ROBERTSON	- - -	Vice-President
HERMAN WALDECK	- - -	Vice-President
JOHN C. CRAFT	- - -	Vice-President
JAMES R. CHAPMAN	- - -	Vice-President
WM. T. BRUCKNER	- - -	Vice-President
WM. G. SCHROEDER	- - -	Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH	- - -	Cashier
HARVEY C. VERNON	- - -	Assistant Cashier
GEO. B. SMITH	- - -	Assistant Cashier
WILBER HATTERY	- - -	Assistant Cashier
H. ERSKINE SMITH	- - -	Assistant Cashier
JOHN R. WASHBURN	- - -	Assistant Cashier
WILSON W. LAMPERT	- - -	Assistant Cashier
DAN NORMAN	- - -	Assistant Cashier
FRANK L. SHEPARD	- - -	Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

OFFICERS

GEORGE M. REYNOLDS President	JOHN JAY ABBOTT Vice-President	GEO. B. CALDWELL Vice-President	CHARLES C. WILLSON Cashier	FRANK H. JONES Secretary	WM. P. KOPF Assistant Secretary
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The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

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TRAVELERS SHOULD CARRY

K. N. & K.

Letters of Credit and Travelers' Checks

Available Everywhere

Your own Banker can supply them

KNAUTH, NACHOD & KÜHNE, Bankers

NEW YORK

LIEPZIG, GERMANY

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital	-	\$2,000,000
Surplus	-	500,000
Deposits	-	26,200,000

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARWELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
THOMAS E. NEWCOMER, Asst. Cashier
HARRY LAWTON, Manager Foreign Department

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....	\$ 9,887,954.84
February 5, 1909.....	11,617,691.24
March 29, 1910.....	15,041,357.21
March 7, 1911.....	21,574,956.79
June 7, 1911.....	23,137,746.88
September 1, 1911.....	24,500,075.82
December 5, 1911.....	25,445,199.89
February 20, 1912.....	26,207,446.32

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Drovers Deposit National Bank

OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-eight years rendered Efficient and Quick Service to its Correspondents

Resources, Nine Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER
GEO. M. BENEDICT
WM. C. CUMMINGS



Mainly About Banks and Bankers

BRIARCLIFF special pulled out of Chicago on time, over the Lake Shore, in personal charge of George Thompson, the man who put the "Century Limited" permanently on the railroad map of his country.

EVERYTHING came off beautifully as planned, and every compartment was taken, most of them "doubly" so. The dining car man was on the train and "on the job" so that the double diners gave out good eats and good cheer as they can do under the direction of the master.

WHILE the special left immediately behind the Century, it was slowed down to let on Detroit bankers at Toledo at a convenient hour for dinner with the bunch. J. H. Johnson had his appetite with him as agreed upon in advance.

CAPTAIN and Mrs. Livingstone joined us at Toledo. The honored president of the A. B. A. is a jolly traveler and almost as good a story teller as G. M. himself.

IT is "Mr. Reynolds" at the bank, the clubs and around the earth, even with emphasis on the "Mister," but on a bankers' special he is "George," and the distinguished chairman of the "Big Council" is plain "Arthur."

AT the last moment Charley Batcheller of Fargo and E. J. Bowman of Anaconda had to cancel, and every one on the train felt the loss of their companionship.

GOLF clubs were in every hand. One might think the banker cancels checks with a niblick and clips coupons with a brassie. Right here drop a tear for one of the best of the long drivers—J. A. Lewis, St. Louis. He couldn't get to go, but kept trying up to the last.

J. S. POMEROY, cashier of the Security National up at Minneapolis, likely will be made a candidate for vice-president of the Minnesota Bankers Association at the coming convention by his friends. The bankers pretty generally throughout the state are lending their support to Mr. Pomeroy. This we learned in the interval between games of bridge in the buffet. No, won't tell who had time to tell it.

SECRETARY W. C. MACFADDEN telegraphed the "special" not to forget his convention at Jamestown, N. D., on June 19th and 20th. He promises a fine program and a good time to all who come.

EVERY one missed F. O. Watts. When one becomes "a promotor" and does big things for his city there comes a time when, as they say in the melodrama, he must sign the papers. Mr. Watts sold everything but the "Blue Sky" in and around Nashville to the Bylesby Company, and had to go to New York on Friday last to complete the deal.

MRS. N. F. HAWLEY went along so that she could visit a son at school up in the Adirondacks. Mr. Hawley is as enthusiastic in association matters as any of his Minneapolis brethren and enjoys the work.

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

111 W. Monroe Street

Chicago

IT was a tussel for Nelson H. Greene of Mo-line to get to go, but N. H. Lampert having strayed away with the Masons to California it was up to Nelson to help Edens make good.

E. R. GURNEY, Nebraska, always takes "mother" along, that being his affectionate title for the charming Mrs. Gurney. She enjoys such trips, but this time, owing to the threatened illness of his two-year-old daughter, felt obliged to remain at home.

B. F. Harris was on board, not as president of the Illinois association nor as the John the Baptist of bank supervision in the state, but as a fellow hayseed with Chapman, Curtin, etc., on the agricultural committee. He is amazed at the action of the city council of Chicago, in its attempt to establish supervision (police regulation) of banking. He hopes that it will help, not hinder, the general movement.

SOLOMON A. SMITH was on his maiden trip as a part of the trust company section. Both he and Mrs. Smith seemed to fit in well and to enjoy every social and business feature at the beautiful resort.

OLIVER C. FULLER, Milwaukee, was doing a double-play. He had a front seat at the trust company section banquet at the Waldorf-Astoria, as well as important duties at the Lodge.

WE hear that the score was a tie when the Bridge delegation from the Twin Cities reached the Chicago River. Don Culver, who generally "pays" when he travels with Orde and Chapman, made money by not being along.

P. W. GOEBEL of K. C. and Governor Bailey of Atchison matched up well. They were in the very middle of the car and had many callers.

JOHAN L. HAMILTON had to pay excess baggage on his report on fidelity and surety rates, etc. Clay Hollister sent on the B. of L. report by freight.

G. B. CALDWELL, in charge of the infant investment section, had several active aids. D. Arthur Bowman, St. Louis, Charles Counselman and F. R. Fenton were among the most active of the crusaders.

GRAND TREASURER J. FLETCHER FARRELL bore his honors and responsibilities meekly. Between ourselves (outre nous, as Fletcher would say) when it comes to digging up and putting over little schemes, well, he's the goods.

EBERHARD FABER, the man who makes the lead pencils, was of the pleasant company, going back to New York as the train guest of C. G. Hutcheson of Kansas City.

E. L. JOHNSON and C. G. McNider, Iowa, of amendment-to-the-constitution fame, were on board. They didn't talk shop but promise to make even more trouble at Detroit than was possible at New Orleans.

SOL. WEXLER and the beautiful Mrs. Wexler, New Orleans, went direct after all. Probably Sol. was afraid somebody might introduce him to Hollister whom everybody who was at N. O. thought to have been harshly treated in his absence.

WHEN Andrew J. Frame was asked if he'd be willing to double up with some good fellow, he said, "Yes, I'm not afraid to room with any banker who isn't afraid to room with me." He thus took in the tawney-bearded Kauffman of Tacoma and both were happy over the plan.

THE committee on agriculture held an overflow meeting at Briarcliff, for so many of the state associations are intending to take up the work. Mr. Chapman was "Farmer Joe" to everybody, and it was quite the thing to talk farming in the lobby.

CHAMBERLAIN of Texas, member of the committee, is in Europe investigating the various systems in use over there for financing the farmer at low rates, and on easy terms. Mr. Chamberlain had written to each member of the committee in a very enthusiastic tone. All the bankers present believe in the adoption of some such system here.

THE committee on amendments to the constitution composed of such men as McNider, Teter, McDougal Robinson, and others attracted great interest owing to the rumor that important changes will be recommended. That committees are too numerous, too large, and that they hang on to the expense account too long was the new gospel.

ANOTHER new thing was an Illinois boom for Ralph C. Wilson to be secretary of the Illinois Bankers Association. He seemed to have many friends in the Illinois crowd.

BRIARCLIFF LODGE was commended by the ladies present as well as by the bankers, as one of the best conducted hotels, ideally located and built, that the whole country affords. Manager Matthews was on the job early and late, and made many lasting friends.

M. P. BERRY, Carthage, Ill., carried the greetings of his state to the Oklahoma convention, and incidentally got in a few licks

(Continued on page 31)

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C. A. Sandford on Conscience in Banking

I hold in my hand a letter from Secretary Hoopes. He wrote it to me in answer to my letter, telling him the subject on which I had chosen to speak this morning. He says:

I have yours of the 11th, giving me the subject of your address, for which I thank you. This applied to some bankers would be, I am afraid, an unknown quantity. As long as the public don't get on to it, it is all right.

It shall be my purpose before I have done with the subject, to show you that I have a higher appreciation of Texas bankers than does your secretary. The discouraging feature is that he doubtless knows you as a whole better than I do. When I seek for an answer to the question—as to why your executive committee was so good to me—and so unkind to you—as to invite me to a place on this program, I am forced to conclude that, knowing that I belong to the militant host of country bankers, they became imbued with the same spirit that characterizes the customers of every country banker, who believe their banker can go up against any kind of a proposition. Without going into the relative merits of country banking, as compared with city banking, without undertaking to show you that the pathway of the country banker is a road strewn with roses and his life "One glad sweet song," I am going to say that we country fellows have the advantage of you city men, in that our customers believe (and we are neither so cruel nor so unsophisticated as to shatter their belief) that we know everything under the shining sun.

In my own experience I have been called upon to give advice on almost every conceivable sort of question. My opinion has been sought as to whether sweet potatoes should be planted in the light or dark of the moon. I have suggested "arrow root" as the very best thing for teething babies. I have advised that an Irish potato carried in the breeches pocket certainly would cure rheumatism. I have assured an anxious mother that there was no danger at all to Tommy, simply because Tommy had the mumps. As a writer of wills—I take off my hat only to a justice of the supreme court. For some reason—I presume it is lack of instinct—I have never yet learned to tell a girl baby from a boy baby at first glance, and as I make it a rule to go into ecstasies over every baby that brings its mother into the bank, I shall deem it a favor if any of you gentlemen who have learned the trick will tell me how it's done.

But, gentlemen, it is not through idle desire to bother him with their problems that the banker's customers seek his advice. If it were so, then often his position would be easier than he finds it to be. Men come to him seeking solution for their problems, because they recognize in him a competent source to which they may go. What the minister of the Gospel is to the moral life, the family physician to the physical life, the banker is to the financial life. I am not sure but that the banker may sometime properly take—as he often does take—the place of both minister and physician. Placed upon so high a pedestal in the estimation of his customer what of the re-

Sheridan financier tells convention at San Antonio his views on "Conscience in banking." Secretary Hoopes says, "Its pretty nearly an unknown quantity," meaning, of course, in Texas

sponsibility thus thrust upon him? Can he do less than face the responsibility and accept the opportunity? From a purely business standpoint, would it be "good business" for him to do less? That bankers, as a class, occupy so high a position in the regard of their fellow men is evidenced that they, as a class, deserve to occupy the position.

From the time when Priscilla, the Puritan maiden, and bashful John Alden walked in silence through the trackless forest to this hour of automobiles and flying machines is a long stretch. If stout-hearted old Miles Standish could have looked with prophetic eye along the track of coming years, the report made by him would have caused the heart of every man aboard the good ship "Mayflower" to swell with pride. Where then were "forests primeval," inhabited only by the brothers of Hiawatha, are now villages and towns and cities inhabited by a busy and happy people. Where then was heard only the hum of the bow, as it sped the arrow on its death-dealing mission, is now heard the hum of countless spindles. Where then the stag roamed the forest in undisturbed solitude, now the fires of many furnaces nightly light the sky. To borrow the words of a writer in a late magazine: "We have planned, we have dug, we have plowed, we have builded, we have mined, we have smelted, we have made and we have sold, we have neither inherited our wealth, nor have we laid tribute upon the weaker nations, but behold—we are the richest of all!"

And what is the purpose of all this activity? Is it that men who possess wealth should receive dividends upon it, or is it that men have been busy and are now busy supplying the needs of their fellow men, because those needs must be supplied?

It is my belief that the paying of dividends is not so important a factor in commerce as the supplying of human needs. The dividend is an incident of commerce; supplying a human need is the fact of commerce.

On this basis then banks are not maintained solely to earn dividends for stockholders, or to provide positions for officers and employees, essential as are those two factors; but the bank is maintained to promote the interests of its customers. When the conscience of the banker is quickened to the point that he recognizes that he owes an obligation, first to his customer and the public with which he transacts business, then to his stockholders, and then to himself, we shall have made a long stride to the time when panics shall have permanently become a thing of the past. Hear me, gentlemen, an awakened and quickened public conscience will not permit the destruction of an institution, or an individual, when

it knows that institution or that individual stands for the public's own best good.

I am not talking to-day about what we call "common honesty" in banking—I am talking about that higher, more subtle something we call the banker's conscience. I believe that every transaction between the banker and his customer should be so conducted as that no question ever can disturb the banker's conscience. It is not possible for this to be true if only the interest of the bank has been considered. Not only is it right as between men, but it's good business, for we all recognize the fact that every business connection to be mutually satisfactory must be mutually profitable.

I have in mind a certain bank in a certain city in this state. Recently I had occasion to discuss with a well posted and thoughtful business man of that city the affairs of that bank. I asked him why the bank in question had not grown in business during the past few years, as had its competitors in the same city. Without one moment of hesitation he replied: "Because the customers of that bank believe that its officers will stay with them only so long as it is to the bank's interest to do so."

Recently I had occasion to discuss with a well known Texas business man—a man known in business circles to the entire South—two young bank men known to each of us and doing business in the city in which this gentleman lived. He does business with both men and I asked him which was coming most surely to the front in his city. "Why, Mr. A.," he said. And then he added, "Mr. A. thinks his bank should be run with due regard to the interests of its customers, but Mr. B. thinks his bank should be run solely in the interests of its stockholders." When a bank ceases to be run in the interest of its customers it in fact ceases to be run in the interest of its stockholders, because it is the customers that make the bank. Good customers are just as important as good officers, and good customers will not stay with a bank that does not consider their interests as well as its own. I did not say a bank should be run by its customers. There is quite a difference in "by" customers and "for" customers.

I believe that the banker's conscience should be such that—recognizing the far-reaching influence he wields over the minds of his fellow men—it will no more permit him to take a position on any public question that is not in line with the public good than it will permit him to remain quiet on any question affecting the welfare of his fellow men. Few bankers would willingly mislead the people of their town or community, but there are members of the profession who seemingly are burdened with the belief that their whole mission in life is to pay dividends and build up deposits.

In recent years the people of Texas have been robbed of millions of dollars by sellers of worthless stocks. The usual practice of the "Blue Sky" salesman has been to go into a town and by some means interest a banker. If he could sell or give some prominent banker

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just one share of stock the rest was easy. Always he suggested that the banker's bank would be the depository of his funds. He would then go to his prospective victim and relate that Mr. So and So, the banker, is a stockholder in our company. His bank is our depository. The banker's name and reputation for honesty and sound judgment and the standing of his bank made the sale. This game has been worked in every small town in this state; even the rural communities have been invaded. I know of one case where the banker got one or two shares of such stock and on the strength of this, one of his customers bought and paid for \$5,000 of practically worthless stock. Right here in this beautiful city of San Antonio, almost under the shadow of the Alamo, on the spot hallowed by the blood of Bowie and Travis and their band of heroes who could meet death, but not dishonor, have been hatched some of these conscienceless robberies. The bankers of this state should rise as one man and fight this practice. No set of men in the state can so successfully combat it and no man in any community can so easily run out of town a band of these "salesmen" as can the local banker.

Second only to the stock salesman in his ability to rob the people has been the "town lot" salesman. You are all too familiar with his methods for me to take time here to describe them. He ought to work in the same gang in the penitentiary with the stock salesman. You say you are not responsible if your customers will permit some slick fellow to separate them from their money. Perhaps not, but you owe it to your customers to, by every proper means, protect them from worthless or even doubtful investments. Surely your conscience will not permit you to in any sense become a party to such schemes.

The relation between the country bank and its city correspondent should be sympathetic and confidential. If either is seeking to get the better of the other, the relation cannot long continue satisfactory—and usually the sooner discontinued the better. Mutual helpfulness with adequate compensation to each must be the basis of all such satisfactory relations. If the country bank always is looking for an opportunity to "load" the city bank and if the city bank always is looking for an opportunity to "unload" on the country bank, the end of a satisfactory business connection is in sight. If a country bank has declined an oft repeated solicitation to divide his account, as most of them have done, and has concentrated his balances in any given city with one correspondent, then that correspondent should see to it that every accommodation and facility consistent with the amount of the balance

kept should be extended the country banker.

On the other hand, when a city bank has given its country correspondent the benefit of its extensive par facilities, has supplied its currency and other needs, has loaned it money when its requirements demanded it, and has performed various and sundry service for it, it seems to me it is not going too far to say that the bank manager who will then slip out of his reserve a few thousand dollars to deposit as an "inactive" balance with some other bank, offering him one per cent more interest, and doing absolutely nothing else for him, needs to have his conscience inspected by a bank examiner. Some of you may raise the question as to whether or not a bank examiner would be competent as inspector of consciences.

The prosperity of the South and West is inseparably associated with the prosperity of the farmers of the South and West. In proportion, as the farmers of these sections prosper so prospers every other department of commerce in these sections. As a citizen of the Southland, I am glad this is so, for my children and for my grandchildren is thus assured continued opportunity and the question of their peace and happiness is for them alone to determine. I am not posing as the discoverer of a new fact, or the promotor of a new thought, when I say that all permanent prosperity begins and ends with the tiller of the soil.

Up to within a decade or so ago, the average banker was a retired merchant who had conceived the idea that a bank was a respectable sort of a place in which he might spend his declining years. It was not to be expected that such a man would keep in touch with the affairs of his fellow men.

To-day most bankers are leaders in their community. They are molders of thought, of sentiment, of action. Theirs are busy lives. The hours of each day seem all too short for them to do the things that need to be done. Custodians of the savings of business men, of corporations, of widows and of orphans, there is need that their consciences should swiftly and rightly respond to each call as it comes. Happy is the banker who can retire to the seclusion of his home when the busy day is done and gather his family about him with conscience void of offense to God and man.

"And the night shall be filled with music,

And the cares that infest the day
Shall fold their tents, like the Arabs,
And as silently steal away."

CENTRAL TRUST COMPANY AGAIN APPOINTED RECEIVER

On Wednesday of this week the Central Trust Company was appointed receiver for the Postal System of Health Building, a physical culture resort at 63 East Adams Street. It is alleged by the creditors that the firm is insolvent, and unable to continue business without loss; also that there are judgments about to be levied on the property. The bonds of the receiver were fixed at \$1,000. The Central Trust also has been appointed receiver for the Telepost Independent Telegraph Company. The application for a receivership was made on behalf of the employees of the company, who allege that they have not received wages which are past due. The obligations of the company in Chicago do not exceed \$1,000. The bond of the Central Trust was fixed at \$200.

POSTAL BANK FORGERY

The first postal bank forgery to occur in Chicago was unearthed on Monday of this week, when the postal authorities arrested William Klefisch, aged eighteen, who was endeavoring to cash three stolen certificates. The certificates were made payable to Jos. Jaeger. During the morning Mr. Jaeger reported to the postoffice authorities that his house had been robbed, and the certificates stolen. The police are endeavoring to locate the accomplices of the prisoner in the burglary. It is said that Klefisch has confessed to having been one of the perpetrators of the crime.

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AGRICULTURAL COMMITTEE AT BRIARCLIFF

A meeting of the members of the committee on agricultural and financial development and education was held on Monday in Room 233, Briarcliff Lodge, Briarcliff Manor, New York, and was called to order at ten o'clock by Chairman Joseph Chapman, Jr.

The following members were present: B. F. Harris, Champaign, Illinois; Jos. G. Brown, Raleigh, North Carolina; Edward J. Curtin, Decorah, Iowa; Joseph Chapman, Jr.; and W. G. Edens, secretary, Illinois Bankers Association Committee on Agriculture, who was selected as secretary, and Thos. B. Paton, general counsel.

The following states also were represented by those in attendance on the council meeting:

Clay H. Hollister, Grand Rapids, Michigan; George E. Allen, New York City; M. E. Ailes, Washington, D. C.; P. W. Goebel, Kansas City, Mo.; E. R. Gurney, Fremont, Nebraska; John J. Sherman, Appleton, Wisconsin; L. A. Wilson, El Reno, Oklahoma; W. C. Harris, Fulton, Missouri; Nelson H. Greene, Moline, Illinois, and Arthur H. Reynolds Des Moines, Iowa.

Chairman Chapman made a statement reviewing the work of the conference held at Minneapolis last October, and of the session of the members of the committee held at Washington on February 28th-29th, when hearings were given the members before the committee on agriculture of the house of representatives and the committee on agriculture and forestry of the United States senate.

He furthermore stated that it was his understanding that the following states have standing committees on agricultural development and education or are now considering the matter of having such committees: New York, Pennsylvania, Michigan, Wisconsin, Nebraska, New Jersey, North Carolina, South Carolina, Washington, Idaho, Kansas, Missouri, Arkansas, Texas, Iowa, Illinois, North Dakota, South Dakota, Minnesota, Ohio, California, Oregon, and Oklahoma.

After some discussion the chairman was authorized to wire to John W. Hoopes, secretary, Texas Bankers Association, in convention at San Antonio, sending greetings from the members of this committee, and to suggest that the Texas convention be sure to appoint a standing committee on agricultural development and education.

After remarks by many of those present, it was decided, upon motion that Messrs. Brown and Harris of the committee prepare and submit, through Chairman Chapman to the members of the executive council, appropriate resolutions touching the work of this committee.

The chairman also was authorized to communicate with certain of the members of congress and senators with respect to the legislation touching these subjects now pending before congress. Mr. Chapman stated that after a conference of many of those who will attend the second annual conference of the agricultural committee representing the various state bankers organizations, that this meeting would be held at Minneapolis on Wednesday and Thursday, August 7th and 8th.

Chairman Chapman called attention to the fact that W. D. Vincent of Spokane, Washington was unable to be present on account of business engagements: ex-Governor Myron T. Herrick of Ohio, now ambassador to France, had requested that he might continue on the committee and proposed to continue the investigations of the farmers' co-operative financial systems in vogue in France; and that Edwin Chamberlain of San Antonio, Texas, the other member of the committee, is now in Europe engaged in a like investigation.

Milton E. Ailes, vice-president, Riggs National Bank of Washington, D. C., suggested to the committee that John G. Cornwall, a prominent banker and citizen at Romney, W.

Va., and E. B. White, a leading banker and farmer at Leesburg, Virginia, would be excellent gentlemen to interest in this work for their respective states.

Respectfully submitted,

W. G. EDENS, Secretary.

INSURANCE COMMITTEE RESIGNS

The committee on Fidelity and Burglary Insurance made a final report at Briarcliff and asked to be discharged from further service. The members are: John L. Hamilton, chairman, W. P. Manly, Caldwell Hardy, Col. F. H. Fries, C. Q. Chandler, Geo. L. Ramsey, and C. L. Batcheller. The committee reached a point where its work is completed, and the council being averse to going into the insurance business, the prepared plan was not presented.

EXPRESS AND MONEY ORDER SITUATION

The committee on express companies and money orders held its sessions on Monday at Briarcliff and reported progress on all of the affairs committed to its care. The Interstate Commerce Commission is investigating the express companies along the lines requested by your committee and referred to in our former reports. The traveling check system of the American Bankers Association is growing in popular favor, and is successfully meeting the needs of the traveling public. Every month of the year 1912 has shown a large percentage of increase in sales over the same month of 1911. During the last sixty days over 550 banks have ordered the checks which have never issued them before, and others are applying for them daily. Since our last report, listing the countries where banks are selling the checks, they have been placed in a number of cities in Australia. This leaves only the continent of Africa without selling banks, and one large branch bank there is now considering the adoption of the system. The acceptance of the checks by officials of the United States government in payment of duties is proving to be a wonderful convenience to tourists and importers. Many banks are selling the checks to buyers of Canadian products to use in paying duties upon goods being brought into this country. The protection afforded by the arrangement with the Burns National Detective Agency is also turning out to be of great

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ORGANIZED JANUARY 17, 1807

Dividends Paid - \$13,267,000.00

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PRESENT NUMBER OF STOCKHOLDERS, 930

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ESTABLISHED 1879

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Capital - - - \$1,500,000

Surplus and profits (earned) 1,922,000

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value, and the system as a whole is developing with great rapidity. The money order proposition is having the most careful thought of the members of the committee, and we expect to be able to close our work and make our final report to the members of the association at the Detroit convention. In this report we shall make a comprehensive statement showing the amount of money that has been spent by the committee since its appointment, and will show how the association has been benefited. No action of the executive council is required at this time, and no further funds for the use of the committee are asked for. chairman, E. D. Durham, Milton E. Ailes, Joseph T. Talbert, W. D. Manley.

Respectfully submitted, Thornton Cooke,

AT BRIARCLIFF

(Continued from page 1)

One of the bills now pending in congress provides that the federal government shall appropriate \$10,000 to every state that will appropriate an equal amount for the development of agricultural industry. Another measure seeks an appropriation of \$3,000,000 in regular annual amounts in the various states, for the benefit of agricultural growth.

Uniform Banking Practice

Representatives of the clearing house section adopted a resolution which will be submitted to the association at its annual meeting this fall, recommending that clearing houses throughout the country report total transactions, instead of balances, as the present practice is. Individual banks now report to their respective clearing houses only checks drawn upon other institutions. Under the new system they will report checks drawn upon themselves as well.

The representatives of the trust company section have appointed a committee composed of Oliver C. Fuller, of the Wisconsin Trust Company, Milwaukee; A. A. Jackson, of the Girard Trust Company, Philadelphia, and Isaac H. Orr, of the St. Louis Trust Company, to draft a resolution, to be acted upon at the

meeting of the trust company section at the association's annual meeting, recommending a uniform system of handling trust accounts.

The American Bankers Association, comprising 12,500 banks, has shown its deep interest in agriculture and has a standing committee on agricultural development and education.

Investment Bankers Excluded from A. B. A.

The feature of the final session of the American Bankers Association executive council at Briarcliff Manor on Wednesday was the adverse vote taken by the members of the council on the plan to establish a separate section of the association devoted to the interests of investment bankers.

Investment bankers interested in the success of this project have contemplated, in the event of its defeat, the formation of an independent organization, which will probably be known as the American Investment Bankers Association. The plans provide that investment bankers shall work for uniform legislation affecting securities in various states; the purification of financial advertising; the co-ordination of efforts between bankers and business interests, which would tend to prevent useless duplication of capital as well as its total loss in over-hazardous undertakings.

The safeguards thrown around the admittance of members into the proposed association are that no firm shall be admitted which has a capital of less than \$25,000, or that has been in business for less than one year, and members are not to be allowed to use the name of the association for advertising purposes. The committee which will organize the new association is composed of C. T. Williams, of

the Fidelity Trust Company, of Baltimore; G. R. Bowman, of St. Louis, and members of various national and state banks and investment banking firms throughout the country.

Segregation of Savings Deposits

Another feature of Wednesday's session was the failure of the executive council to adopt the recommendation of the law committee for a general discussion of the annual convention in regard to the segregation of savings deposits. As a result of the council's action, it may not now be brought up at the convention except upon a two-thirds vote of delegates present.

The committee believes that the extension of the principle of segregation is practicable in other states than those that have already adopted it, in the following cases:

1. When a majority of the bankers in a state believe that such legislation is in the interest of the banker as well as of the depositor.

2. When the law requires only those deposits to be segregated which the bankers of the state agree are typical savings deposits, namely, small, inactive, accumulating accounts, whether received against pass book or certificate.

3. When the investment section of the law is so drawn as to take money neither out of the community originating it, nor out of the channels in which it is now probably employed, but permits for the investment of savings deposits the safest loans and securities available locally.

4. When the investment section of the law gives the bankers a reasonable time, say five years, to adjust themselves to its requirements.

BANK SHUT AND CASHIER HELD

Toledo, Ohio, May 9.—The Mechanics Savings Bank, capitalized at \$50,000 and having deposits aggregating probably \$150,000, was closed this afternoon and is in charge of W. B. Hopkins, state bank examiner. The West Toledo branch of the bank also was closed. Charles W. Laskey, cashier of the bank, was arrested on a charge of embezzling \$4,000.

American National Bank Louisville, Ky.

Capital and Surplus, \$1,000,000

LOGAN C. MURRAY, Pres.
CHAS. C. CARTER, Asst. Cash.

R. F. WARFIELD, Cashier
F. L. MOSELEY, Asst. Cash.

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HARRIS TRUST AND SAVINGS BANK

Harris Trust and Savings Bank of Chicago has inaugurated a new plan to stimulate a desire to save upon the part of the public. By calling at the bank anyone may get a pocket coin container free of charge. The bank suggests that the individual carry it with him all the time, save at least one coin each day and register the amount saved, and before long the depositor will have money in the bank. After one coin container is used up another may be had upon application.

TRUST COMPANY SECTION

New York, May 7.—It is announced that over 650 seats have been reserved for the second annual banquet of the trust companies of the United States, under the auspices of the Trust Company Section of the American Bankers Association, which is to be held in the grand ball-room of the Waldorf-Astoria on the evening of Thursday, May 9th. A most gratifying feature of this banquet, which distinguishes it from other bankers' dinners held yearly in New York and elsewhere, is the very large attendance of people outside of New York City. Over 50 per cent of those who have reserved seats came from other sections of the country, a casual inspection of the seating list showing thirty-six states represented.

F. H. Fries of Winston-Salem, N. C., president of the Trust Company Section, will preside as chairman, assisted by Wm. C. Poillon, vice-president Bankers Trust Company, first vice-president Trust Company Section, and F. H. Goff, president Cleveland Trust Company, chairman of the executive committee of the section.

Mayor Gaynor of New York City; Governor Baldwin of Connecticut, and former Senator Chauncey M. Depew will make addresses.

The First National of Mineola, Texas, has adopted plans for a new building which will occupy the main business corner of that town.

William G. Edens

William G. Edens, assistant secretary of the Central Trust Company of Illinois, who has been attending the sessions of the executive council of the American Bankers Association held at Briarcliff Lodge this week, has been remembering his Chicago friends with souvenir postal cards of Briarcliff Lodge and surrounding territory. Mr. Edens states that the weather has been very disagreeable, it having rained nearly every minute of the time since the arrival of the bankers. He writes under date of May 6th and 7th.

BANKERS CLUB OF ST. LOUIS TABOO ECONOMIC DISCUSSIONS AT MEETING

Two hundred bankers, among them some of the most prominent in the United States, will be guests of the Bankers Club of St. Louis for "A day in the country" at the Log Cabin Club, Saturday, May 25th. The program will include golfing, shooting and fishing and will conclude with a barbecue dinner prepared by an Indian chef.

The program, sent out yesterday, bars set speeches, public discussion of banking questions and bankers association politics, and sets forth the day will be for social purposes exclusively.

Leading bankers in fifteen towns and cities of the Mississippi Valley have been invited. They will meet twenty of the leading bankers of the country—five from Boston, five from Philadelphia and ten from New York City, all of whom have formally accepted, as follows.

Philadelphia—Albert A. Jackson, Girard Trust Company; William A. Law, First National Bank; J. R. McAllister, Franklin National Bank; L. L. Rue, Philadelphia National Bank, and E. F. Shanbacher, Fourth Street National Bank.

Boston—William A. Gaston, National Shawmut Bank; George S. Mumford, Commonwealth Trust Company; Philip Stockton, Old

Colony Trust Company; Eugene V. R. Thayer, Merchants National Bank, and D. G. Wing, First National Bank.

New York—J. S. Alexander, National Bank of Commerce; F. W. Allen, Mechanics and Metals National Bank; A. B. Hepburn, Chase National Bank; J. B. Martindale, Chemical National Bank; C. D. Norton, First National Bank; D. E. Pomeroy, Bankers Trust Company; Charles H. Sabin, Guaranty Trust Company; Joseph T. Talbert, National City Bank; G. G. Thorne, National Park Bank; Clark Williams, Windsor Trust Company; William Woodward, Hanover National Bank.

The affair is the first of the kind ever attempted by the Bankers Club of St. Louis. W. W. Hoxton, secretary of the club, at the St. Louis clearing house, Third National Bank building, is in charge of the invitations.

Other officers of the Bankers Club of St. Louis who will be members of the reception committee are: Breckinridge Jones, president; Edward Whitaker, first vice-president; F. O. Hicks, second vice-president; A. O. Wilson, vice-president State National Bank, treasurer, and N. W. McLeod and H. P. Hilliard, members of the executive committee.

OUT-OF-TOWN VISITORS

In addition to the out-of-town bankers who came to Chicago to join the special train for Briarcliff, Vernon T. Barker, president of the Home Savings Bank of Kalamazoo, Mich., and E. J. Miller, cashier of the Hillsboro (Ill.) National Bank, were callers in the financial district this week.

CHICAGO BANKS AGGRESSIVE IN OB- TAINING NEW BUSINESS

That Chicago banking institutions are right up to the mark when it comes to going after new business is exemplified by the fact that recently three very large institutions of this city bid 3 per cent for the municipal funds of the city of Grand Rapids, Mich., as against 2½ per cent bid by local banks and 2 per cent by two Detroit banks.



ESTABLISHED 1902

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STATE AND MADISON STS. CHICAGO.

Banks and Bankers find the service of the Chicago Savings Bank and Trust Company prompt and accurate in handling every detail of the banking business which they transact through this institution. Correspondence invited.

LUCIUS TETER, President EDWARD P. BAILEY, Vice-President JOHN A. McCORMICK, Vice-President	OFFICERS WM. M. RICHARDS, Asst. Cashier EDWARD J. PRESCOTT, Secretary	JOHN C. ARMSTRONG, Asst. Secretary F. O. BIRNEY, Asst. Secretary WILLIAM T. ANDERSON, Auditor
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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

By C. C. Burford

The bankers associations of various central western states and the live financial journals have had much to say during the past two years about the agricultural resources of these states. The agricultural development of Illinois especially has been urged by the Illinois Bankers Association, and by THE CHICAGO BANKER.

Attention has not been given so much to the mineral resources of the state because the agricultural work was so important that the leaders have felt that they should not scatter their energies.

However, some idea of the vast mineral wealth of Illinois can be gained from an address by Francis Peabody, president of the Peabody Fuel Company of Chicago, delivered before the engineering students of the University of Illinois. Mr. Peabody said that the coal deposits of the state are estimated at 35,000 square miles, or 22,000,000 acres, of known coal land. Of this vast area only 1 per cent has been exhausted. It is also considered by able engineers that large areas are yet undiscovered.

In 1897 there were 15,000,000 tons of coal raised from Illinois mines, and there has been since that time an output increased at about 10 per cent annually. Mr. Peabody advises the holding of Illinois coal lands as an investment, and during the past few months several large coal land deals have been made in this state, chiefly in the vicinity of Mt. Vernon, Benton and Hillsboro. The southern part, known as "Egypt," has a great wealth of mineral resources. The coal fields around Benton, Ziegler, DuQuoin, Herrin, Carterville, Marion, Carbondale, Murphysboro, and many other points in their vicinity are richly supplied with black diamonds. Farther north, the coal fields are likewise valuable, and such cities as Danville, Decatur, Bloomington, Lincoln and Springfield are mining centers. It seems that agricultural and mineral resources go hand in hand in central Illinois.

Champaign Bank in New Home

The opening of the new room of the Illinois Title and Trust Company Bank in Champaign brought a crowd into the new quarters, which was estimated at 6,000 persons. The opening was held Friday evening, May 3d, and all day Saturday and Saturday evening, May 4th.

Carnations were given to the throngs, who filled the new room almost continuously while the opening was being observed. During the evening hours Saturday, access to the building was practically impossible except to those who stood in line on the sidewalk outside and patiently awaited their turn.

Champaign people are in the habit, it seems, of inspecting new banking quarters as the First National, (the Harris Bank), and the Trevett-Mattis Banking Company have both recently exhibited to the citizens of the growing little city some elegant banking quarters. The new Illinois Title and Trust Company yields nothing in elegance of appointment although not so large as the other two.

The interior is finished in white marble, and the vault embodies all of the latest fire and burglar proof ideas. The safety deposit boxes are especially attractive, and the entire finish of the bank for the comfort of patrons and staff, rapid dispatch of business and safety of valuables is without question.

The room is lighted from the skylight, and with the exception of two mezzanine floors the banking room is two stories high. The mezzanine floor at the front is for the abstract company affiliated with the bank while that at the rear is for the meeting of the officers.

Two mural paintings, representing "Work" and "Play," adorn the two interior ends of the banking room. Both are the work of Professor Newton A. Wells of the architectural decoration department of the University of

Illinois. The painting entitled "Work" portrays a harvest field in Illinois with the golden grain falling before the reaper. In the painting is an excellent likeness of Professor Cyril G. Hopkins of the University of Illinois, who is so well known to banker-farmers of the state that his name is almost a household term with them. The likeness of O. S. Fisher, assistant to Dr. Hopkins, is also distinctly seen in the painting. The painting entitled "Play" shows a critical moment in a game played last October on Illinois Field at the University of Illinois between the eleven of that university and that of the University of Chicago.

Virgil W. Johnson is the executive vice-president of the bank. Walter W. Stern, representing an old established mercantile house in Champaign and more recently in the loan business, is also a vice-president, and Ernest M. Vennum, is the cashier. T. B. Vennum is the president. The Continental and Commercial National is the Chicago correspondent.

Illinois Notes

B. F. Harris, president of the Illinois Bankers Association, will deliver an address, "The Banker—His Larger Relations," at the convention of the Tennessee Bankers Association to be held in Knoxville, May 29th and 30th.

Good roads development in McLean county will receive a boost when the projected

F. E. FARRELL Established 1864 **E. E. CRABTREE**

F. G. FARRELL & COMPANY, Bankers
 Successors to First National Bank
 JACKSONVILLE, ILL.
 ACCOUNTS AND COLLECTIONS SOLICITED

GUARDIAN TRUST COMPANY OF NEW YORK

Invites the accounts of banks, trust companies, corporations and individuals

EDWARD F. CLARK, President
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Hathaway, Smith, Folds & Company Commercial Paper

137 South La Salle Street **Chicago**
 Correspondence Invited

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ILLINOIS**

Peoples Savings Bank & Trust Co.

Capital and Surplus \$400,000.00

Deposits over \$3,200,000.00

Solicits Accounts and Collections from Banks,
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\$ 4,000,000.00



ESTABLISHED
1864

Out of the High Rent and High Rate District

Open an account at *The First of Joliet* and know that your items are collected *direct* and at the *lowest cost*

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Alfred J. Stoops, Assistant Cashier

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CONSERVATIVE INVESTMENTS

To Net 5½ to 6 per Cent

WE own and offer **First Mortgage Bonds**, based on the highest class of improved, income-producing, centrally located Chicago real estate, the total loan never being more than 50 per cent of the value of the security. We have sold such bonds to many banks, insurance companies, trust companies and trustees of estates in all portions of the country. No investor has ever lost one single dollar of principal or interest on any security purchased of us in the thirty years we have been mortgage and bond bankers in Chicago. Securities purchased of us are readily convertible, since it is our established custom to repurchase bonds or mortgages from clients when requested, at par and accrued interest, less the handling charge of one per cent. Write for *The Investors Magazine*, published twice a month.

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MORTGAGE AND BOND BANKERS

ESTABLISHED 1882
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is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over \$40,000,000.00



automobile tour of the county is completed. Fifty cars will start from Bloomington, and every township in the county, the largest in the state, will be visited and road improvement will be discussed with the highway commissioners of each township.

From January 1st to the present time there have been 40,000 automobile licenses taken out in the state. This number exceeds that of the last six months of 1911, which was the first period in the operation of the new license law, by 2,000 and there are yet six weeks before the first of July. Prosperity is not entirely absent from Illinois.

LINCOLN STATE SAVINGS

Lincoln State Savings Bank has opened for business at Thirty-first and State streets. It has taken over the private business of W. H. Bowers & Company, and the safety deposits of the South Side Safety Deposit Company.

CHICAGO BANK CHANGES ITS NAME

The officers and directors of the Chicago City Bank, 6233 and 6235 South Halsted Street, announce that the name of the bank has been changed to "Chicago City Bank and Trust Company." All checks drawn on the Chicago City Bank will be honored by the Chicago City Bank and Trust Company, if otherwise regular.

GROUP 3, KENTUCKY BANKERS

Arrangements have been made for the annual meeting of the Third District Bankers Association, comprising Group 3. It will be held in Franklin, June 6th. The program will be unusually interesting, as F. O. Watts, of Nashville, former president of the American Bankers Association, and President Waller, of Morganfield, who heads the state association, will speak.

Arrangements for the meeting were made by the executive committee, which met a few days ago in Bowling Green.

"Alton, Illinois"

"Alton, Illinois" is the title of a very attractive book which the First Trust and Savings Bank of that city has been circulating among some of its Chicago friends. It is described as being "The story of a picturesque and busy city of the Mississippi" and is illustrated profusely. The volume is divided into sections, the first of which treats of the boundless resources of the city and its suburbs. Among the other points covered by the book are transportation and financial facilities; manufacturing industries; Alton as a commercial center;

public schools and colleges; newspapers, libraries, clubs and hotels; amusements and sports; religious and charitable life and musical, philanthropic and literary associations. Among the many photographs are those of all the city officials, public buildings, business houses and the attractive residences of some of its citizens.

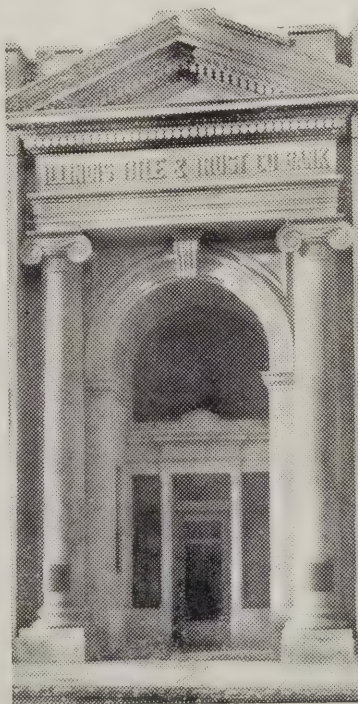
CHICAGO BANKS APPROVED AS RESERVE AGENTS

Fort Dearborn National Bank of this city has been approved as reserve agent for the First National of Portsmouth, N. H.; Continental and Commercial National has been approved as reserve agent for the Citizens National of Merrill, Wis., while National Bank of the Republic and First National have been approved respectively as reserve agents for the Melmo National of Laredo, Texas and the American National of Noblesville, Ind.

LOUISIANA BANKERS CONVENTION

Among the interesting features at the convention of the Louisiana Bankers Association held recently was the approval by the convention of a law proposing to limit the liability for forged checks to a year, and a law authorizing notaries connected with banks as officials. On motion of J. W. Bolton, of Alexandria, a bill was urged to provide punishment for persons connected with firms, who, by making false statements as to the standing of the firms, whether individually or through agencies, misrepresent the status of the concerns and thus obtain credit they would not otherwise be able to get. These matters were referred to the incoming executive council and legislative committee to secure passage of bills through the legislature.

The following officers were elected: L. H. Jastremiski, of Honna, president; H. D. Apgar, Monroe, vice-president; L. O. Broussard, secretary; L. M. Pool, treasurer, and J. H. Fulton, of New Orleans, chairman of the executive council.



ILLINOIS TITLE AND TRUST CO. BANK
Champagin, Illinois

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

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L. G. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
J. M. HAYES, Assistant Cashier
WILLIAM K. ADAMS, Auditor

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Frederick Kasten
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Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

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Herman W. Falk
Isaac D. Adler
Frederick Kasten
Charles Schriber
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith



BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

Following a long imbroglio over the building code, the common council committee on buildings and public grounds on Tuesday gave the First National Bank permission to erect a sixteen story building on the site at Mason and East Water streets, which is now being cleared to be ready for building operations on June 1st. Following the action of the committee the \$2,000,000 structure will be commenced at once and pushed to completion by June 1, 1913. President Fred Vogel of the First National represented the bank, and H. J. White of the H. J. White & Son Co., Chicago, the architects and construction company at the hearing. The fact that the 215 foot structure will be erected through special permit, as all other tall buildings in Milwaukee have been, has given rise to a proposed amendment to the present ordinance confining the height of buildings to the width of the street on which they face.

Milwaukee Banks Flourishing

The combined reports of the six national, nine state, and three savings banks in Milwaukee published exclusively in the annual report of the Milwaukee Chamber of Commerce issued on Wednesday show the aggregate deposits for 1911 to have been \$2,454,443,824.48, nearly one-third larger than those of the preceding year. Bank clearings in 1911 were \$38,730,206.73 in excess of those of 1910. The total resources of the banks at the close of the year were \$101,551,407.70. Prefacing his re-

port, Secretary H. A. Plumb of the chamber of commerce says:

"The remarkable improvements in the quarters of the banks now contemplated or in actual course of construction are evidence of the most substantial kind that our financial institutions are in a flourishing condition. The banks are showing a disposition to confer upon the city a share of the prosperity they are enjoying, by adding to the number of beautiful buildings with which Milwaukee is already graced, seven handsome, commodious structures completed or in course of construction and one particularly imposing sixteen-story building to be commenced in the near future."

The report shows receipts of grain, malt and flour in 1911 to have been greater than in any previous year, or an aggregate of 64,486,959 bushels. A slight falling off in the regular grain receipts is more than made up for in the increase of malt and flour receipts which, reduced to their equivalent in bushels contribute to the above total.

Alliance Between Milwaukee Road and Union Pacific

Milwaukee officials of the Chicago, Milwaukee, and St. Paul railroad on Wednesday corroborated the reported alliance between the Milwaukee road and the Union Pacific.

"Although no definite form of agreement has been entered into yet," said one official, "an arrangement is being contemplated by

which the Milwaukee road will carry the Union Pacific freight east of Omaha, and be permitted to run its trains over the lines of the latter road from Chicago to San Francisco. In anticipation of the new agreement the road is double tracking its trunk route from Chicago to Omaha, besides making extensive improvements in its routes and equipment in the West."

"Wisconsin Products" Show in November

A two weeks' "Wisconsin Products" show to be held in the Milwaukee Auditorium in November was decided upon by the executive committee of the Forward Wisconsin League at its monthly meeting this week. The proposed exhibit will include not only the agricultural, dairying, and mining industries of the state, but also the manufacturing interests, with special emphasis on the products manufactured from Wisconsin raw materials. According to John P. Hume, secretary of the association, and active promoter of the show, the exposition will be the most unique, as well as the largest ever held, embracing as it does every branch of the state's varied industries.

New State Bank Opens

The new Wisconsin State Bank, Eleventh and Greenfield avenues, opened its doors for business on Wednesday morning, with a capital stock of \$75,000. The building, recently completed, is of stone and pressed brick, and equipped with the most modern bank furni-



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

ture as well as vaults and burglar alarms. The officers are: President, Christian Glaus; vice-president, Harry S. Piggins; cashier, William H. Hasse; directors, John Bruemmer, William Gutenkunst, Oscar Mehl, August C. Sehr, J. Muckerheide, Herman Nohl, John H. Paul, and Edward E. Blaum.

Burns to Speak at Wisconsin Bankers Convention

William J. Burns, head of the detective department of the American Bankers Association, will be one of the principal speakers at the annual convention of the Wisconsin Bankers Association in Milwaukee, July 24th-25th. According to a proposed program a one-half day session of the convention will be devoted to agricultural topics, and the reports of the various agricultural contests held under the auspices of the association during the past year. A special feature of the meeting will be an adding machine contest in which employees of many state banks will be entered.

Milwaukee Notes

William B. Weller has resigned as president of the Milwaukee Title and Abstract Company to accept a position with the Citizens Saving and Trust Company, of which he is one of the original incorporators.

New city bond issues amounting to \$365,000 have been sold to the S. A. Kean Company, Chicago, for \$376,862.52 or a premium of \$11,862.52. A Milwaukee firm had the next lowest bid. The interest is 4½ per cent.

Forgers have made their reappearance in Milwaukee, their depredations being confined chiefly to small grocery store and saloon proprietors, many of whom have been swindled out of small amounts during the past week.

Stephen Bull

Stephen Bull, pioneer manufacturer and banker of Racine, who celebrated his nintieth birthday a few weeks ago, has resigned as a director of the J. I. Case Threshing Machine Company, of which he is one of the founders, and Stephen Bull II was elected to fill the place left vacant by his grandfather's resignation. Mr. Bull was one of the organizers of the Manufacturers Bank of Racine.

State Banking News

The State Bank of Maribel has been incorporated with a capital stock of \$12,000. In-

corporators are William J. Warm, Thomas Dewane, and James A. Kellner.

The incorporation of the LaCrosse Trust Company was authorized by State Bank Commissioner A. E. Kuolt this week. The capital is \$100,000, and the incorporators are L. C. Coleman, George H. Gordon, and John M. Holley.

The Citizens State Bank of Fond du Lac has purchased a site on South Main Street, and will erect a new building during the coming summer.

Tennessee Program

Secretary F. M. Mayfield of the Tennessee Bankers Association has prepared a list of the principal speakers at the annual convention which will be held in Knoxville, May 29th and 30th. Addresses of welcome will be made by Hon. Sam E. Hill, acting mayor of Knoxville, and H. T. Ault, president of the Knoxville Clearing House Association. After the response by Frank K. Houston, assistant cashier of the First National of Nashville, President Wesley Drane will deliver his annual address, and Hon. L. P. Padgett will talk on the "Benefits of a Proper Banking and Cur-

rency System." Two other important addresses will be delivered by B. F. Harris, president of the Illinois Bankers Association, and vice-president of the First National at Champaign on "The Banker and His Relation to the Public Welfare," and by Bank Commissioner J. N. Dolley of Kansas on "The Kansas Blue Sky Law." A paper will be read by the winner of the contest among the state chapters of the American Institute of Banking on the subject, "Should Banks, Other Than Savings Banks, Pay Interest on Deposits?" The remainder of the sessions will be devoted to the reports of officers and committees, and to the discussion of the proposed banking law for Tennessee and of the proposed changes in tax laws.

NEW JERSEY ELECTS OFFICERS

Atlantic City, N. J., May 6.—At the second day's session of the ninth annual conference of the New Jersey State Bankers Association Saturday the following officers were elected, after the various reports of the officers and committees were read and accepted:

President, W. M. Van Dusen, cashier National Newark Banking Company, Newark; vice-president, Bloomfield H. Minch, Bridge-ton; treasurer, DeWitt Van Buskirk, Bayonne; secretary, William J. Field, Jersey City; executive committee, Edward F. Pierson, Jersey City; E. B. Bartlett, Atlantic City; R. W. Howell, Trenton, and E. S. Carr, of the City Trust Company, Newark.

Three resolutions offered by General Bird W. Spencer and seconded by Uzal H. McCarter were adopted by the conference.

The first provides that the support of the association be extended to the National Citizens League in its campaign for the education of the public as to the weak spots in the present banking system, and recommends that each bank appropriate one-tenth of 1 per cent of its surplus for this purpose.

The second recommends the retention of the present laws governing bank taxation, and the third provides for the appointment of a committee, including Colonel W. C. Fiske, to confer with the secretary of state to obtain the revision of the laws covering depositions by banks of bonds for the faithful performance of trusts. The resolution recommends that this matter be taken out of the prerogative court and placed in the hands of the commissioners of banking and insurance.

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St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, May 8.—There is some complaint among certain bankers of apathy in the demand for credits and quietness in general business. Disappointment is felt because the inquiry from the country has not been heavier. This latter fact is attributed to the backwardness of the season, and specifically in a large area to the floods. A cry has gone up from the lowlands along the rivers, but it was not for funds for agriculture, but for relief from dire need. The total loss from high water this season will be many million dollars greater than the greatest previous loss from that cause. While the flooded area is only a small part of the total region, it is rich and fertile, and contributes enormously to the wealth of the Mississippi Valley, so that the prosperity of the whole Middle West is bound to be more or less affected by the calamity. Another gloomy factor is the extremely low condition of wheat in Missouri, Illinois, Indiana and other central western states. Ideal conditions early in the growing season, with the winter's heavy snows had given rise to high hopes for the bread cereal crop, and the development of the enormous volume of winter killing proved a surprise and disappointment. Add to these factors the uncertainty of the political issue and the labor unrest and the pessimistic side is about summed up. On the other side there is reported a gradual betterment in the demand for commodities of all kinds. In spite of the setbacks general business is picking up, and the railroad tonnage in this region is heavy, with a still greater movement in sight for the near future. Bank clearings at this point are holding up in excellent shape, and show a goodly gain over the corresponding period a year ago. Collections, both city and country, are reported as being for the most part satisfactory, the flooded districts being the only backward spots. Wholesale merchants are by no means pessimistic as a whole. Their sales to date have been heavy, and compare well with the two or three preceding seasons. With the banks things are quiet, but rates are fairly firm. Offerings of commercial paper are quite large, with rates ranging in the extremes from $4\frac{1}{2}$ to 6 per cent. A majority of bankers in St. Louis anticipate marked improvement all along the line within the next few months.

Missouri Bankers' Meeting

W. F. Keyser, secretary of the Missouri Bankers Association, has sent to members a preliminary announcement outlining details of the convention, to be held at Joplin on May 21st and 22d. Accompanying the announcement was a souvenir penwiper, which tasteful article is meant to remind bankers of the com-

ing gathering. Headquarters will be at the Connor Hotel. The Joplin clearing house has a committee on hotel reservations, of which J. T. Livingston is chairman, that will furnish all desired information on that subject. An elaborate programme of entertainment is announced by the Joplin bankers for visiting delegates and their ladies. This includes receptions, a smoker and vaudeville entertainment, trolley and automobile rides and a banquet. Mr. Keyser expects the largest attendance in the history of the association. At the convention in Joplin four years ago the membership was 1,161, while now it is 1,325.

New South Side Bank

Plans are well under way for a new bank in South St. Louis, which is to be called either the Chouteau Valley State Bank or the Park State Bank. A growing demand for such an institution on Jefferson Avenue has been voiced by merchants and manufacturers in that locality. Alex Schmidt, of the Schmidt-Meyer Grocer Company, is heading the movement and will doubtless be president of the new bank. A capital stock of \$100,000 is planned, and it is stated that \$75,000 has already been subscribed. The bank is the outgrowth of two independent movements to organize banks on the South Side. One group was interested in establishing a bank at Chouteau and Jefferson avenues, while the other group proposed opening a trust company or bank at Park and Jefferson avenues. Recently the parties combined their efforts. Others interested in the movement are Henry R. Rehme, Dr. Otto Kollme and Louis Christophersen.

Swanger May Enter Race

John E. Swanger, state bank commissioner, has under consideration the question of becoming a candidate for the republican nomination for governor. Mr. Swanger, in this matter, is in the hands of his friends. The

friends of Mr. Swanger believe that the latter's administration of the state's banking affairs was such as to warrant promotion to the highest office in the state's government. Swanger espoused the Roosevelt cause.

Commonwealth Trust Company

The Commonwealth Trust Company is preparing to move to the building at the northeast corner of Broadway and Locust Street, which it will occupy during the period occupied by the erection of its new building at Broadway and Olive Street. It is expected that the present structure will be vacated by the end of next month, and wrecking will begin immediately. A change in design of the new building is under contemplation. This change proposes to extend a large tower to the height of about 300 feet. The original plan was for a nineteen-story building with the conventional flat roof. It is thought a large office tower six stories high would add greatly to the appearance of the building, besides returning a good interest on the investment. Much, however, depends upon the building commissioner, who wants to uphold the ordinance limiting buildings to 200 feet, as provided for buildings similarly located. The architects, Eames and Young, have the matter up with Commissioner McKevely.

Cashier Desires Information

Advices from Austin, Texas, state that B. L. Gill, state commissioner of banking, has received an inquiry from F. F. Paschall, cashier of the First State Bank of Leesburg, Texas, which is greatly puzzling him. It reads: "I have a new depositor and do not know how to handle the lady's account. A white hen comes in every morning and deposits an egg behind the vault door. Please inform me how to handle this account." It was not until the price of eggs began to soar a few weeks ago that this hen selected the bank vault as a place to deposit her eggs. Mr. Paschall says she has evidently a due appreciation of their value.

To Refinance United Railways

It is stated on what is considered reliable authority that the North American Company has under consideration a comprehensive plan for refinancing the United Railways Company of St. Louis. The plan, it is stated, is to issue a mortgage sufficiently large to cover all outstanding bonds, notes and underlying obligations of the traction company. Such refunding issue, it is thought, would reach probably \$60,000,000. A similar plan was adopted by the North American Company a few months ago in connection with its Milwaukee

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properties. Officials of the United Railways will neither confirm nor deny the report.

Cotton Belt Mortgage

Attorneys for the St. Louis and Southwestern Railway Company have filed with the recorder of deeds of St. Louis a mortgage to cover the \$100,000,000 bond issue recently voted by the stockholders of that corporation. The mortgage names Walker Hill, president of the Mechanics National of St. Louis, and the Guaranty Trust Company of New York, as trustees. The property covered by the mortgage covers all the personal holdings of the company and its real estate in St. Louis.

Activity in Building

According to the report of the commissioner of public buildings, building operations in St. Louis for the month of April show a gain of 40 per cent over the corresponding month last year. The showing of the building business for the year thus far is good, as permits for the first three months indicated a gain of 36 per cent over the first three months of 1911.

HIGHEST DEPOSITS IN HISTORY

Detroit (Mich.) banks are now carrying the highest deposits in their history, according to the figures revealed by the call which was made this week. The total deposits in Detroit banks and trust companies on April 18th aggregated more than \$167,000,000, of which \$51,091,000 was in the national banks, \$107,396,000 in the state banks, and \$9,003,000 in the trust companies. The gain since February 20th, when the last preceding call was made, showed deposits of \$163,000,000, and the deposits shown on March 7, 1911, approximately a year ago were \$145,000,000.

L. W. Quick

L. W. Quick, president of the Washington National at St. Louis and city treasurer of St. Louis, has filed his petition as a candidate for governor of Missouri on the Republican ticket at the next primaries. Mr. Quick is an old telegraph operator and in years gone by held down one of the press wires at Chicago. His friends in the banking fraternity all hope that he may succeed in being nominated and elected.

McCRUM-HOWELL COMPANY

During the early months of 1910, when the McCrum-Howell Company was offering \$2,000,000 of preferred stock at par, it was reported that the assets of the company exceeded the liabilities by more than a million. Stockholders and creditors now are wondering what has become of this large sum of money. It is said that a part of the proceeds of the sale of the stock was expended in the acquisition of new property, and also a portion for depreciation. Stockholders and creditors, however, believe that there is a considerable amount not covered by these two items. It is proposed to investigate the matter, and to ascertain if possible the exact facts of the situation.

ALLEGED BANK LOOTER PLACED ON TRIAL

Frank T. Arnold, cashier of the First National Bank of New York, who is accused with having embezzled a large sum of money from the institution, has pleaded not guilty to the

charge. He was unable to furnish a bond for \$25,000 and has been committed to jail. His case will be considered by the grand jury in Binghamton on June 11th. Notwithstanding the claims of his friends that he probably is fatally ill, it is the opinion of the jail physician that the accused banker is shamming, and that his depleted physical condition is due to inability to supply himself with morphine, of which drug he has been a constant user. It is said that the accused cashier had a narrow escape from injury at the hands of a mob who threatened to lynch him.

OPPOSITION TO "MONEY TRUST" INQUIRY

Considerable opposition has developed on the part of New York bankers to some of the questions propounded to them in a circular recently issued by the committee on banking and currency of the house of representatives, which practically has completed all preparations for making an investigation of the so-called "money trust." To cope with this situation the attorneys for the committee have suggested that an amendment be made to the national banking act, by means of which either branch of congress will have authority to call for such information regarding the affairs of national banks as may be needed. It is thought by many that the bankers are acting unwisely in this matter, as any opposition on their part to such an investigation no doubt will be attributed to Wall Street influences. It is expected that any recalcitrant action will have a tendency to prejudice the members of the congressional committee, and to create a country-wide demand for more drastic measures.

Editorial Comment

HOW BANKERS AID FAKE STOCK SALESMEN

The average banker in smaller cities and country towns never becomes fully aware of his importance to large enterprises until some fancy stock salesman comes along from the city representing an institution, which believes that it cannot get along any longer without having the use of the said banker's name on its board of directors. As a special inducement he is offered stock in the company which is being promoted, at half price. Sometimes this offer is accompanied by an additional agreement to later on sell 50 per cent of his holdings for what it all cost him, thus leaving him half of the stock purchased absolutely free of cost. A few days later he learns that sums of money are being withdrawn from his bank, and from other banks in the town to pay for other shares of stock in the same enterprise, most of which were sold purely for the reason that the "leading banker of the town thinks so well of it that he has purchased 'steep hundred' shares." Later on he has the further satisfaction of discounting the notes of his friends and neighbors, who did not have the ready cash with which to become stockholders in the enterprise. For the balance of his life he can be prepared to explain to those who went in on his account what it was that happened to the company, why they never received any dividends, and why there was no market for the stock.

Another pet scheme of fake promoters is to bring letters to a banker in a country town offering him in exchange for his influence shares in the company, to be paid for by a certificate of deposit, the C. D. to remain sacredly in the vaults of the company. The promise in this case is that with the use of his name and influence in the town and county where he resides, enough shares of stock can be sold and a commission allowed him, which shortly will pay for his stock, and the certificate of deposit can be returned. This looks so simple that even in the state of Missouri within the past two years an insurance company procured and handled several hundred certificates of deposit on such representations—or rather misrepresentations. In no single case was enough stock sold in any town or county so that the commissions coming to the banker amounted even to the interest on the certificate of deposit. Neither were the certificates of deposit quietly segregated in the vaults of the insurance corporation. They were hypothecated in every bank that would take them. Generally speaking, the banker, who was foolish enough to issue them had sense enough left to repay the bank for the loss, and "modesty" enough to say nothing further about it. This sort of collusion between a banker and a fake stock salesman is dishonest. The banker expects to get his

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

stock altogether for nothing. It has been proposed in Illinois, and in a few other states, to enact a law somewhat similar to the "Blue Sky" law of Kansas. If a secret committee could procure from bankers and citizens a list of all stocks and bonds which they ever had purchased, and upon which they never had received dividends, the investment being a total loss, a summary might be made which would convince any legislature on earth of the necessity for supervision over stockselling investment companies and fake promoters. The committee could arrange to keep secret the names of those involved, and even the names of the securities dealt in might not be used. The results, according to information at hand, would be astounding. There would be a lesson in such a publication for every banker in the country who might have an inclination to deal with these promoters in any of the above or other forms of agreement.

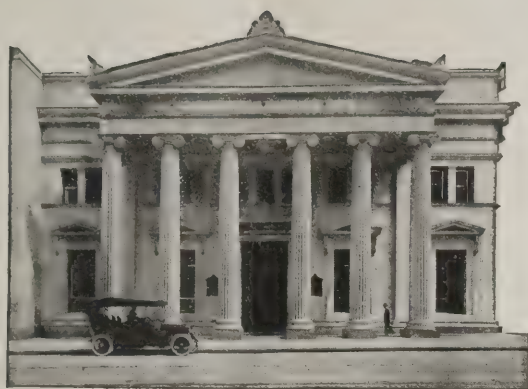
WHY THE BANK FAILED

Not so very long ago the Bank of Remsen, up in Minnesota, closed its doors in liquidation. Demands for money by depositors had been met with explanations and refusals. W. D. Creglow was the owner of the bank. His bank had been regarded as "one of the strongest institutions" of its kind in that part of the state. Unfortunately, not being restricted as it should have been by law, Mr. Creglow invested the funds of the bank in farm lands—not in Plymouth County, Minnesota, nor even in the state—but up in Canada. Mr. Creglow claims there is more than enough property to pay off all his creditors, and that the reports that he has failed are untrue. However, the local depositors are up against a money famine and will be obliged to wait upon the slow liquidation of the Creglow lands before the claims against the Bank of Remsen can be paid off. This is a case—not the kind which usually happens in Chicago, New York and Philadelphia, where the private banker simply packs up the money in a satchel and leaves for parts unknown—it is a case of unsupervised banking in the hands of an honest but incompetent man. He hoped to make a fortune in Canadian lands for himself and to do it in time to be able to refund the depositors' money and keep all of the profits for himself. Hundreds

of private bankers have succeeded in doing just this very thing, but Mr. Creglow has failed, and as he thinks, failed honestly. The state owes the depositor better protection than was afforded to those who patronized the Bank of Remsen.

UNPOPULAR COLLECTION CHARGES

Recently it has been the custom of the New York clearing house, when it had a difficult position to face, to go boldly at it. It was thus that it solved the question of admitting the trust companies and of providing a better system of examination for banks than New York ever had had before, thereby placing it on a par with Chicago, St. Louis, Minneapolis and other cities where clearing house examination has been in vogue for some time. For the past five or six years there has been a clearing house rule in New York providing for universal charges upon out-of-town checks and collections. This step was taken as a protective measure, no doubt, at the time it was adopted and probably it has served its purpose. Not so long ago Connecticut bankers filed a huge remonstrance against its continuance, and this week the president of the New Jersey bankers in talking to the convention at Atlantic City estimated that the present system of inflexible charges had lost to the New York banks reserve balances of two hundred millions. The plan never has been quite popular, either at home or in other reserve centers. It has compelled country bankers to charge their customers exchange which they are very reluctant to do or otherwise pocket the loss. It has forced bankers from other reserve centers to sell New York exchange in order to repay them for the cost of their "New York funds" accumulated under the charge system for collections. There is no doubt that bankers in Philadelphia and Boston have found it profitable to make variable charges for the purpose of drawing business. The banks closer to New York built up extensive par lists which proved to be the basis of good business and larger dividends without going into the technicalities of the situation which are well understood by bankers, it may be stated that something likely will be done about it before long. A committee has been appointed of which James G. Cannon, president of the Fourth National, is the chairman. On this committee are Walter E. Frew, Joseph T. Talbert, Edward Townsend and J. W. Platten, all bankers of experience, large parts of which were obtained outside of New York. The intention in appointing this committee was to have it make a thorough investigation of all inland exchange and collection charges as well as the methods of doing business by the clearing house associations of the various states. It is expected that this committee will recommend such modifications of the rules or regulations as may seem advisable. The commit-



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ACCOUNTS OF BANKS IN ITS TERRITORY ARE DESIRED

tee has been authorized to request managers of other association to appear before it for the purpose of giving such information as may be desired. It is thought by those most interested that a plan will be devised which will make less work, and by which checks will find their way home much more expeditiously than at present. The point aimed at is one where customers will find it satisfactory and to their own advantage to purchase such exchange over the counter of their own bank as they may need in their business. Certainly there can be no defense of the old system where the charges for the collection were absorbed first by the bank which was willing to stand them and secondly by the bank which could not evade them, and by which the maker of the check rarely paid the cost. If such a plan can be adopted it will be quite a feather in the hats of Mr. Cannon and his associates.

PRESIDENT TAFT'S REPLY TO ROOSEVELT

Affairs in the race for the republican nomination for president have reached a state where it has become necessary for President Taft to handle his noisy opponent without gloves. The attitude assumed by the President in his recent Massachusetts speeches is but that which would have been taken by any self-respecting American citizen with an ounce of manhood. In replying to the charges of his opponent, Mr. Taft did not desire to attack the ex-president's reputation. The President believes that the dignity of the high office which he holds should be upheld, and that any campaign savoring of personalities and vituperations would be highly unethical on the part of the chief executive of this great republic. Nevertheless, in vindication of his own reputation he has been obliged to expose to the American public some of the manifold hypocrisies and inconsistencies of a man who seems to be in the last stages of an extremely aggravated case of "exaggerated ego." Mr. Taft, through his many years of judicial training, possesses a mind which is tempered with a great love for justice. Mr. Roosevelt loudly proclaims himself as an exponent of a square deal for everyone; yet, right here is where he exhibits the smallness of his character. He is giving Mr. Taft anything but a square deal. He represented to the voters of Illinois that

the President was a supporter of Senator Lorimer, when Mr. Roosevelt of all persons in the world ought to have known that such was not the case. In commenting upon his declaration never again to seek a third term "under any circumstances," he construes his language to mean "never to seek a third successive term." Any sane person would construe "under any circumstances" to include the latter interpretation of the Colonel, which was made solely to suit his own convenience. He also states that although he originally favored the reciprocity measure, subsequent investigation and study convinced him that it was not the proper thing for the country. Isn't it strange that he did not arrive at this conclusion until the time he was addressing the farmers of Illinois? Mr. Roosevelt has acted in a manner more consistent with that of a schoolboy than that of a full-grown man who seeks to make himself the recipient of the highest gift within the power of the people of the United States. The answers which he has made to President Taft's assertions are such as one naturally would expect from one not inordinately imbued with a love for veracity.

PROSPECTS OF MONETARY REFORM LEGISLATION

The prospects of obtaining legislation looking to the establishment of a better banking and currency system seem to be endangered somewhat by the fact that the two branches

of congress are controlled by party adherents hostile to each other. The proper procedure to adopt would be the employment of experts to study carefully the plan suggested by the National Monetary Commission, such experts to make any changes or additions as they might deem expedient. It is expected, however, that the division of congress will have a tendency to keep the question out of politics. In passing such important legislation it will be necessary that some attention be paid to individual views on the subject. It is, however, imperative that too much consideration shall not be paid to pet theories, which in the main are impractical.

A SLUR UPON BANKERS

Just as half a dozen states were pondering upon issuing an invitation to President Vincent of the University of Minnesota to speak at as many coming state conventions, that gentleman went upon record (if he has not been misquoted) in a way which seriously will injure his chances. He is reported to have said in a recent talk: "Bankers who talk so enthusiastically and so ignorantly of the value of education for farming." Bankers all over the country have resented this carelessly made remark. Mr. Vincent is informed herewith that more than half of all the bankers outside of the large cities actually are farmers, and that more than 90 per cent of those who are taking an interest in the question of present farming methods and better education for farming are farmers of the very highest type. Take the case of President B. F. Harris of the Illinois Bankers Association. He has been born and brought up on one of the largest and best farms, comprising several thousand acres of Illinois black soil. Many other bankers who have been forwarding this movement are fully as well qualified to speak on the subject. President Vincent owes it to some of his very nearest neighbors to put himself right on this important question. Even then it is a little bit doubtful whether it would be advisable to risk an invitation to anyone who speaks so carelessly before a bankers' convention.

Chas. N. Bourdon and L. C. Simons, of St. Paul, have bought the First State Bank of Waubun, Minn., and will merge it with the Waubun State Bank, which they control.



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SURPLUS
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☐ Correspondence and interviews solicited.

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MURRAY CARLETON	Vice-President
WM. H. THOMSON	Vice-President
ERNEST M. HUBBARD	Cashier
E. L. TAYLOR	Assistant Cashier
C. R. LAWS	Assistant Cashier

Capital, \$2,000,000

Surplus, \$2,000,000

Deposits, \$38,000,000



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G. W. GALBREATH, Vice-President

R. S. HAWES, Vice-President

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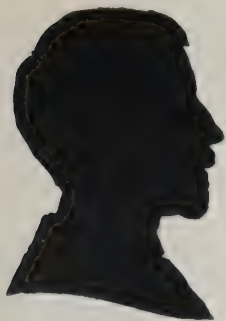
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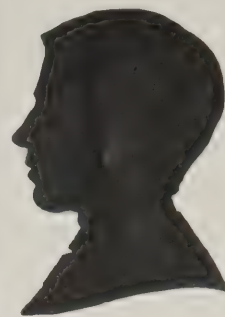
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Texas Convention

San Antonio, Texas, May 8.—More than 1,200 bankers were in San Antonio yesterday morning when the twenty-eighth annual convention of the Texas Bankers Association opened at 10:25 o'clock in the Orpheum Theatre. They did not all attend the initial session, the late arrivals being occupied in registering for the convention, and in getting hotel accommodations, but the lower floor of the theatre was crowded when Bishop J. S. Johnston arose and delivered the invocation, which formally opened the three days' session.

President Hamby Unable to Attend

After the invocation had been delivered, a telegram was read from General William R. Hamby of Austin, president of the association, in which he expressed deep regret that serious illness prevented him from being present, as he so much desired. A unanimous resolution was adopted by the meeting to convey sympathy to the president in his illness and regret that he could not be present. By rising vote the members passed another resolution asking General Hamby to prepare his address and report as president at his convenience, so that it may be incorporated in the minutes of the meeting.

General Hamby had appointed F. M. Law of Beaumont, vice-president of district No. 1, to preside at the convention and named Gus F. Taylor of Tyler, vice-president of district No. 5, as alternate. Mr. Law's train was late in arriving, so Mr. Taylor presided at the initial meeting. Mr. Law arrived in time to preside at the session yesterday afternoon.

In opening the meeting Mr. Taylor stated that it was one of the proudest moments of his life to be allowed to preside over such a gathering. He invited all vice-presidents and members of the executive committee to take seats on the platform.

R. L. Ball Welcomes Visitors

In the absence of J. N. Brown, who had been designated to welcome the visitors to San Antonio on behalf of the local bankers, R. L. Ball, president of the National Bank of Commerce, made the welcoming speech, and although declaring himself unprepared, gave a talk that aroused spontaneous applause.

"San Antonio is a city of great historical associations," said Mr. Ball, "and therefore it appeals to all warm Texans. I know you are glad to be here and San Antonio and her bankers are happy to have you as guests. We hope to extend the joy and sunshine of genial entertainment, and if our efforts leave anything lacking we wish to be informed of the matter so that the deficiency may be promptly remedied."

Continuing, Mr. Ball said that conditions had never been more propitious for a meeting of financial men than that on the occasion. With bounteous rains, high prices, good ranges, fat cattle and sheep, he said the bankers throughout Texas were feeling good and had forgotten to worry over loans and discounts. He

predicted that these conditions would go far to make the present convention the most successful in the history of the association.

Branching off on financial matters Mr. Ball said there were many big bankers from the North and East at the convention, who should be heard on means of augmenting profitable financial arrangements between their institutions, and the banks in Texas.

Touches on Currency Reform

He touched on currency reform, saying that it was an important issue on which the convention should take action for remedial legislation. There has been so much agitation on the subject that the people at large feel that the banks are in a bad way and desire a revision of monetary affairs. He praised the banking system of this country, saying that it was on a par with any of Europe.

In conclusion he welcomed the many women, who have come to the convention with their

husbands, saying that entertainment had been provided for them as well as for the men.

As spokesman for the Chamber of Commerce, Nat M. Washer made a particularly happy address.

Great Factors in Progress

"The Chamber of Commerce is an organization of business men," said Mr. Washer, "who realize the immense influence you bankers exercise in the development of the state. In my mind the banking interest are the greatest factors in the progress of Texas, and therefore I am most pleased to welcome you to this city on behalf of the business men's organization."

I consider it a privilege to represent the citizenship of San Antonio on an occasion of this kind and welcome the men who are in control of the financial affairs of the greatest state in the Union. Texas is a state of wonderful opportunities, and I wish to urge that bankers herald the security of Texas investments, and bring the money here that will develop the vast resources of the state."

Mr. Washer saw that there were many women present and commended them in taking an interest in financial matters. After praising the business ability of women, he gained popularity with those in the audience by advocating that they should be given equal suffrage.

Calls Attention to Resources

He called attention to the wonderful resources of San Antonio, dwelling on its vast tributary territory only a small percentage of which is yielding its just riches and predicting the growth and prosperity of the city, when this country has all been developed. In conclusion, he again recommended the hospitality of San Antonio and invited the visitors to avail themselves of it to the utmost.

W. W. Woodson, cashier of the Exchange National Bank of Waco, responded to these addresses for the association. He said it was a pleasure for the bankers to again come to San Antonio for their convention after an absence of six years, declaring the last visit lingered in the memories of the members like the fragrance of a rose. He characterized San Antonio as the shrine of Texas liberty toward which all Texans turn with love.

He thanked San Antonio for its hospitality on behalf of the visiting ladies, the bankers from the North and East, those from the large cities of the state, the bankers from the innumerable small towns, and then for the Texas Bankers Association as an organization.

"We do not discount the hospitality of San Antonio," said Mr. Woodson. "While we are drawing heavily on the resources of the city we do it with easy consciences, for we know they cannot be impaired."

Annual Reports are Heard

The secretary, treasurer and detective of the association submitted their annual reports, which were accepted by the meeting. These reports were incorporated in a booklet and copies were distributed to the members. Of-

(Continued on page 29)



WM. W. LEGROS
FORT DEARBORN NATIONAL
CHICAGO

Twenty years of efficient and conscientious service on the part of William W. Legros have been regarded by the Fort Dearborn National Bank by the appointment of Mr. Legros to the position of assistant cashier of that institution. The new assistant cashier started in with the Fort Dearborn as a corresponding clerk, and has filled practically every position in the bank up to the one he now holds, among which were that of payer, which place he filled for thirteen years, and chief clerk and auditor. Mr. Legros was born in Chicago in 1867. Before entering the banking field he was connected with See & Co., a firm of dry goods merchants, and with the John J. McGrath Wall Paper house. He entered the service of the Fort Dearborn in 1892 and has been employed by that institution ever since.

NATIONAL BANK OF COMMERCE

KANSAS CITY, MO.

ESTABLISHED 1865

Capital, \$2,000,000

GEO. D. FORD, Vice-President
J. J. HEIM, Vice-President
WALTER S. DICKEY, Vice-President

J. W. PERRY, President
W. L. BUECHLE, Vice-President
CHAS. H. MOORE, Vice-President
JAS. T. BRADLEY, Cashier

Surplus, \$500,000

CHAS. M. VINING, Assistant Cashier
W. H. GLASKIN, Assistant Cashier
JAS. F. MEADE, Assistant Cashier

Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

"In spite of certain discouraging features of the local situation, I believe the business outlook to be most promising," said James T. Bradley, cashier of the National Bank of Commerce of Kansas City, to a representative of THE CHICAGO BANKER a few days ago. The discouraging features referred to were two big strikes in Kansas City that caused the idleness of more than 2,000 men. These strikes were on the new 35 million union depot and terminal project and on the local breweries, whose drivers struck, calling out practically all of the other brewery workers. "These strikes are having their effect in city business," continued Mr. Bradley. "The Kansas City bank clearings are about 10 per cent heavier than this time last year and deposits are keeping up well. The crop outlook is good and the only serious menace to our prosperity here in the Central West is the unrest and political agitation which is upsetting things."

Kansas Bankers Who Attended Texas Convention

Kansas City banks were well represented at the meeting of the Texas Bankers Association at San Antonio, May 7th, 8th and 9th, and practically the same delegation stopped on their way home to attend the Oklahoma State Bankers convention at Tulsa, May 10th and 11th. In the Kansas City party were: George P. Reichle, assistant cashier of the First National; Virgil K. Tuggle, assistant cashier of the New England National; C. B. McCluskey, vice-president of the National Reserve Bank; J. W. Perry, president, and Charles Moore, assistant cashier, of the National Bank of Commerce; C. W. Allendorfer, assistant cashier of the First National; J. F. Downing, president of the New England National; W. L. Buchle, vice-president of the National Bank of Commerce, and G. G. Moore, assistant cashier of the New England National.

Women Bankers Division at Texas Convention

One of the most interesting features of the bankers' meeting at San Antonio, Texas, May 7th, 8th and 9th, was the women bankers' division. Although that meeting was entirely separate from the convention of the Texas Bankers Association, it attracted almost as much attention. It was the first convention of women bankers ever held in the West and was such a distinct success that several other states may hold similar conventions next year. The women bankers had prepared a program of quite as pretentious a character as that of the men's department. Mrs. R. S. Croggin, vice-president of the Croggin National of Brownwood, delivered an address on "Present-

Day Ethics in the Banking Business." Miss Minnie Hester, cashier of the Lee County State of Lexington, told about "Hard Cases I Have Had to Handle." Miss Bess Ramsey, assistant cashier of the Woodson State, gave some good advice on "How to Make the Business of a Country Bank Grow." Miss Mitchell, cashier of Mitchell Brothers Banking Company of Franklin, spoke on "Rotation of Credits," and Mrs. J. B. Towler, president of the First National of Mount Pleasant, spoke of "The Necessity of Married Women Informing Themselves With Regard to Banking Matters."

Trade Excursions

At this season of the year dozens of cities and towns in the Central West send out trade-getting excursions into their immediate commercial territory. On these trips all lines of business are represented and banks usually take a keen interest in this method of keeping in touch with their out-of-town customers. Beginning May 13th a number of special trains will speed through Kansas, Nebraska, Oklahoma and Texas, bearing their crews of enthusiastic business getters. Kansas City will send its representatives into southern Nebraska and northern Kansas; Wichita, Kan., business men will visit 164 towns; Oklahoma City will be represented by nine carloads of

citizens and the business men of Fort Worth will make a long swing to the south and west. The favorable crop outlook has revived business confidence in this territory and it is expected that trade of all kinds will benefit greatly from these various visits of city business men with their country customers.

Jerome Thralls a "Back-to-the-Soil" Convert.

Jerome Thralls, manager of the Kansas City Clearing House Association, has become a convert to the "back-to-the-soil" sentiment. A few weeks ago he mailed out thousands of circulars to banks in the Central West, giving instructions on how to test seed corn. This excursion into agrarian life aroused a new enthusiasm in Mr. Thralls. He is taking a deep interest in the farmer and a few days ago he mailed to hundreds of banks in the farming districts circulars going a little deeper into the matter. The more recent circulars contained this question and answer:

"The question: The population of the United States increased 16,000,000 in ten years. Seventy per cent of this increase was in the villages, towns and cities, while only 30 per cent was in the rural districts. At this rate what will be the result in twenty years?"

"Kansas City is surrounded by a great agricultural territory. Practically all public lands have been taken and our area is fixed. Farmer boys and girls are flocking to the city and it is difficult to secure good help on the farm. Farm products must be increased and farm life popularized. How can it be done?"

"The answer: By improved methods of farming; a complete change in our educational system, and taking entertainment and the comforts of life to the farm. Desire for education, entertainment and the comforts of life is what leads farmer boys and girls to the city. Why not train our boys and girls in improved farming methods; teach them how to test seed, judge the soil, do carpenter work, blacksmithing, housekeeping and the every day vocations to which they are called."

Guaranty Fund Tied Up

Under a ruling of the district court the Oklahoma bank guaranty fund has been tied up pending the payment of \$200,000 to the Wilkin-Hale State Bank of Oklahoma City. At the time of the failure of the Night and Day Bank of Oklahoma City, June 7, 1911, the Wilkin-Hale State Bank held a claim upon the failed institution for approximately \$244,000. The Oklahoma state banking board issued guaranty fund certificates for this indebtedness. About \$44,000 worth of these certificates have been paid. The Wilkin-Hale Bank claimed that the state banking board

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had taken in and dispersed more than \$300,000 since making the contract in regard to the liquidation of the Day and Night Bank. In its recent suit the Wilkin-Hale State Bank sought to mandamus the state banking board to make a special assessment on the state banks of Oklahoma of $\frac{1}{2}$ of one per cent to take up the outstanding certificates. The court refused that mandamus solely on the ground that to require such an assessment at this time, in view of the prevailing business conditions, might work an injury to the banks of Oklahoma and to the bank guaranty system.

To Briarcliff

Delegates from Missouri and Kansas to the meeting of the council of the American Bankers Association at Briarcliff, N. Y., joined the Chicago party special train for the trip East. Missouri was represented by C. G. Hutcheson, cashier of the First National, Kansas City, and W. C. Harris, president of the Calloway Bank of Fulton, Mo. The Kansas members of the council are: P. W. Goebel, president of the Commercial National, Kansas City, Kan., and former Governor W. J. Bailey, president of the Exchange National of Atchison.

Elected Director of National Bank of Commerce

Eugene D. Nims, first vice-president and treasurer of the southwestern groups of the Bell Telephone companies, comprising the Missouri and Kansas, and Bell Telephone Company of Missouri, the Pioneer Company of Oklahoma and the Southwestern Telephone Company of Texas, Louisiana and Arkansas, has been elected director of the National Bank of Commerce of Kansas City. Mr. Nims is also a director in several of the leading banks of Oklahoma and is interested in many large commercial enterprises of the Southwest.

Death of L. E. James

Llewellyn E. James, for many years confidential attorney for Armour and Company in Kansas City, director of the Metropolitan Street Railway Company of Kansas City, director of the Interstate National Bank of Kansas City and heavily interested in several other large business enterprises of Kansas City and the Southwest, died last week as a result of a fracture of the skull sustained in a fall from a street car. The accident occurred near his home on Valentine Road. Mr. James was educated at the University of Michigan and began the practice of law in Kansas City. During practically all of his professional career he was confidential attorney for the Armours. He seldom practiced in the courts but was regarded as one of the leading corporation attorneys of the Southwest. Mr. James was 55 years old.

Bankers Club Holds Election

The Kansas City Bankers Club held its semiannual election of officers last week in a business session following a dinner at the Hotel Baltimore. The officers for the ensuing six months are: President, George B. Harrison, vice-president of the New England National Bank; vice-president, A. C. Jobes, vice-president of the First National Bank; secretary and treasurer, Jerome Thralls, manager of the Kansas City Clearing House Association. The officers named also serve on the board of governors. They will be assisted by

the following new members: H. C. Lambert, L. C. Smith, David Thornton, Lapier Williams, Harry W. Bedell and Harry C. Jobes.

Central West Notes

William S. Hillis, for eight years cashier of the City National of Omaha, has resigned his position and will go into business for himself in California.

S. W. Campbell of Chicago, who was one of the organizers and first president of the First National of Hutchinson, Kan., was a visitor in Hutchinson last week. He renewed many acquaintanceships and expressed surprise and delight at the growth of Hutchinson since his last visit about five years ago.

J. T. M. Johnston, president of the National Reserve Bank of Kansas City, has returned from a ten days' trip in Mexico. He says the banking conditions in the republic are badly demoralized and that American residents believe the best solution for the Mexican problem would be for the seven northern states to

secede and establish an independent government. "And eventually they would be knocking at the door of America for entrance into the Union as did Texas," added Mr. Johnston.

More than one hundred employees of the Commercial Trust of Kansas City were guests of the company at its annual picnic Saturday, May 4th. Races, jumping contests, a tug of war and other sports were engaged in, after which there was a big picnic dinner at the Hale farm near Kansas City.

The monthly trade letter issued by the First National of St. Joseph, Mo., gives a most encouraging forecast for the month of May. It recites that the crop prospects are satisfactory, notwithstanding somewhat unfavorable reports sent out earlier by the government. Soil conditions are excellent, according to this letter, and it is believed that with carefully selected seed and a reasonable measure of precipitation and warmth during the next several weeks, unusual crops are assured.

J. Z. Miller, Jr., vice-president of the Commerce Trust Company of Kansas City, represented that institution at the San Antonio convention. Mr. Miller is a native Texan and came to Kansas City from the Lone Star state.

Among the visitors in Kansas City's financial district last week were: J. H. Hill, vice-president of the Russell State, Russell, Kan.; James E. Combs, cashier of the First National, St. Joseph, Mo., and J. E. Smith, cashier of the Citizens State, Greenfield, Kan.

NEW YORK INVESTMENT HOUSE TO OPEN CHICAGO OFFICE

Kissel, Kinnicut & Company of New York contemplate opening an office in the Rookery as soon as arrangements can be made. Robert Stevenson, Jr., for six years with Lee, Higginson & Company, will be western manager. Mr. Stevenson enjoys a wide acquaintance with investors in Chicago and throughout the entire Middle West.

NORTH DAKOTA PLANS

Secretary W. C. Macfadden of the North Dakota Bankers Association announces that the tenth annual convention of the association will be held at Jamestown on Wednesday and Thursday, June 10th and 20th. All arrangements for the program have been completed by the secretary. Among the speakers will be Joseph Chapman, Jr., of Minneapolis; T. R. Atkinson, state engineer; Thomas Cooper, secretary of the Better Farming Association and Carl Jorgenson, deputy state auditor. Among the subjects which will be discussed at the convention are: "The Proposed Plan of the National Monetary Commission"; "Good Roads"; "Better Farming"; "Dairying"; and "Farmers Clubs." A very attractive program of entertainment has been arranged for the visiting delegates by the bankers of Jamestown. The principal entertainment feature will be the annual ball to be given at the Jamestown Armory. Arthur Reynolds, of Des Moines, Iowa, and chairman of the executive council, and Fred E. Farnsworth, of New York, and general secretary, will attend the sessions as representatives of the American Bankers Association. Hotel reservations at Jamestown can be made through any of the local bankers.

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1912, 2,100,000

Deposits

1902, \$8,000,000
1912, 20,000,000

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Joseph Chapman, Jr., when he reached New York, gave out the following interview, thought out in his private office at the Northwestern National Bank. It reads: "What we propose is that American primary schools shall, as is done in Germany, give some attention to industrial or agricultural education. More than 96 per cent, or 19,500,000 American school children are in primary schools.

"The school system of this country is absolutely wrong. Formerly schools taught children who would never need to go to work, but to-day we are teaching the coming generation to be consumers and not producers.

"As bankers we consider this question of vital importance. Unless more agricultural studies are taught the young folks of to-day farming will soon become a lost art, and then what will happen to business in general."

H. A. Leighton

H. A. Leighton, assistant cashier of the Merchants and Manufacturers Bank, has been elected director in the North Side Commercial Club.

Officers of New Drovers State of South St. Paul

The new Drovers State of South St. Paul is officered as follows: President, C. W. Clark; vice-president, F. E. Woodward; cashier, O. J. Schumacher. Capital is \$25,000 and surplus \$5,000. The bank is on Concord Street, opposite the Exchange building.

Receives Quiz

The Security National has a quiz from the house committee on currency and banking regarding money and banking matters, similar to those sent to other banks throughout the country.

Application to Reorganize Bank

Application has been made by Joseph Marwick, J. Dunohowe, P. C. Dunohowe and M. P. Marwick to organize the Story City Bank,

Iowa, to the Story City National Bank with \$40,000 capital. The Security National of Alexandria, N. D., has been authorized at \$30,000 capital. This will succeed the Farmers Bank. J. C. Gregory is to be president and C. H. Stillwell cashier.

F. A. Chamberlain Praises California Roads

F. A. Chamberlain, president of the Security National, praises California roads, on his return to Minneapolis. He says California has authorized a roads bond issue of between \$18,000,000 and \$20,000,000, and Los Angeles county will spend \$3,000,000. The farmers believe that money well invested in this manner will make a good return. Macadamized roads are common, Mr. Chamberlain says. He was away three months.

Winnebago City Bank of Commerce Failure

Kelsey S. Chase, state bank examiner for Minnesota, has temporarily closed the Winnebago City Bank of Commerce, and began an examination. Vice-President H. W. Parker had left, saying he was going to a lodge meeting in St. Paul, and had not been found a week later. The examiner was told that Parker had cashed a draft for \$2,000 at the First National. The vice-president has a family, is 40, and was in the confidence of the people. The bank was organized in 1903 and became a state bank in 1904. Capital is \$20,000; surplus \$3,000 and deposits \$210,000. John Sharp is president and Glenn Bassett the cashier. Amount of the shortage is not definitely determined.

Predicts Bumper Crop

Dean A. F. Woods of the state agricultural college forecasts crop conditions thus: "The prospect for a bumper crop was never better. Every condition is extremely favorable for the development of the agricultural interests of Minnesota. Wheat already has opened and is doing well. Other seeds have been placed in the ground earlier and under more favor-

able circumstances than in previous years. The shortage of seed, however, will keep down the acreage planted to corn this year. What corn is planted, I think, will be of a better quality than last year. Minnesota farmers are going into diversified farming as never before. Flax, oats, barley and other small grain will play an important part in the value of the harvest this fall."

Death of E. A. Mears

E. Ashley Mears, Minneapolis, formerly known as a Napoleon of finance in Fargo, N. D., died last week in St. Paul, aged 72 years. Following the boom after the opening of the Northern Pacific road into the Dakotas Mr. Mears became the first boom financier. He went to Fargo shortly after the road was projected west of Moorhead, Minn., in 1873. He established the Dakota National, built in ornate style. He formed many companies and a stock exchange. Subsidiary banks were started through the territory. Notwithstanding Mr. Mears' appearance of confidence, matters went wrong, and in 1893 a fire destroyed the bank and a large part of the city. His latest banking venture was two years ago in the Southwest.

Changes in Minneapolis Concerns

Two large Minneapolis enterprises are undergoing change. A new company formed east has taken over the Loose-Wiles new banking plant, and H. M. Byllesby and Company, Chicago, Byllesby formerly a local man, are negotiating for the plants of the Minneapolis General Electric Company, a child of Stone and Webster, having water power rights at several points. The purchasers are said to accept a valuation of \$3,575,000 in excess of the value of stocks and bonds and \$2,425,000 above the stock market valuation, \$12,272,000. In the former instance it is said the owners will get about \$5,000,000 for their interests in the various plants.

WILLIAM J. BURNS, President. Formerly U. S. Secret Service. Late San Francisco, Cal., Graft Prosecution

RAYMOND J. BURNS, Secretary and Treasurer

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St. LouisDenver
Oklahoma CityBoston
Detroit

Minnesota Personals

James L. Mitchell, cashier of the Capital National, has been elected secretary-treasurer of the St. Paul Symphony Orchestra Association.

Cashier R. A. Packard of the Stephenson Bank at Stephenson, Mich., has accepted the position of cashier of the Miners State at Iron River.

W. F. McLane, cashier of the Hennepin County Savings Bank, is chauffeur for the Divvy Club. This is his first position since he learned to drive three weeks ago. The Divvy Club is related to the Boys' Club, which has something to do with sequestering newsboys when off duty to keep them in order and educate them liberally. The Divvy Club started for a picnic along the Minnesota River below Minneapolis. Mr. McLane was one of the generous citizens to tote the boys out and back by gasoline.

One hundred and thirty-eight members of the Boys' Club have saved enough from newspaper sales to open savings accounts totaling \$100 plus.

Minneapolis Chapter, A. I. B., Hold Annual Election

H. J. Mulcahy, Minnesota Loan and Trust Company, was elected president of the Minneapolis Chapter of bank clerks Tuesday night. He defeated H. C. Libby of the Northwestern National after a warm contest, and George Struthers of the Union State. C. J. Norman, Stevens, Chapman & Co., was elected vice-president; W. J. Tobin of the First National was named secretary, and R. E. Towle of the Security National, treasurer. Retiring President John G. Mackean was toastmaster at the banquet, which was provided by the representatives of the Wales Adding Machine Company. One hundred and ten men came over from the St. Paul Chapter, and Minneapolis furnished only thirty more. Twenty participated in the annual contest.

John Zimmerman of the Security National added 250 checks on a Wales in three minutes and fifty seconds. S. R. Harley of the second National, St. Paul, got the next prize in 4:52. A. R. Larson of the Merchants National, St. Paul, made a record of 4:15. The checks totaled \$81,207.64.

APPOINT NEW COMMITTEE

A new committee has been appointed by the president of the New York State Bankers Association, to be known as the "Committee on Agricultural Development and Education." The names of the members of this committee are Chas. M. Dow, chairman, president National Chautauqua County Bank of Jamestown; Robert H. Treman, president of the Tompkins County National Bank of Ithaca, and George E. Allen, educational director of the American Institute of Banking.

E. H. Rollins and Sons, of Chicago, were the high bidders on an issue of \$130,000 school bonds in Muskogee, Okla., last week.

Missouri Convention

The executive council of the Missouri Bankers Association has sent out a handsome folder inviting bankers to attend the twenty-second annual convention of the association to be held at Joplin on May 21st and 22d. The sessions will be held in the Joplin theatre.

WRIT OF HABEAS CORPUS DENIED BANK ROBBER

A petition for a writ of habeas corpus made on behalf of John McNamara to prevent his extradition to New Westminster, B. C., has been denied. McNamara is wanted in New Westminster for robbing the branch of the Bank of Montreal of nearly \$300,000 last September. His counsel filed an appeal and announced their intention of carrying the matter to the supreme court of the United States.

NEW ISSUE OF BONDS PLANNED

Spencer, Trask & Co., 72 West Adams Street, are planning to bring out in a short time a new issue of bonds of one of the larger western corporations. The issue will be a 5 per cent refunding bond, and full details will be furnished the public in a few days.

Members of the Chicago clearing house met yesterday afternoon to determine what attitude should be taken by local banks in regard to the proposed investigation of the "money trust" by the committee on currency and banking of the national house of representatives.

MONTANA TO GET 12 MILLIONS FROM COPPER MAGNATES

Butte, Mont.—John D. Ryan says: "The members of bankers' party now in Butte have planned and agreed to spend \$12,000,000 in Montana in next twelve months."

"In this period Butte will show greater prosperity than any year in its history. Copper market is splendid, consumption world over is at maximum, and prices satisfactory. Outlook is that during next few years all producers will have to do is to produce every pound of copper that can be taken out of ground."

"Prospects for business are very much better, and I see no reason why presidential nominations and political discussion should interfere with our steady progress."

ASSAILS MONETARY PLAN

Criticizing the National Reserve Association monetary plan as evolved by Senator Aldrich, Edmund D. Hulbert, vice-president of the Merchants Loan and Trust Company, declared that it would be, if established, decidedly inimical to the general welfare of the country. He asserted it would make possible a condition which would give a few men control of the greatest reserve fund in the world, possibly for selfish personal interests. He addressed members of the Chicago Real Estate Board at their weekly luncheon on Thursday.

Bolger, Mosser and Willaman, bankers, announce that they now are located in their new quarters at 29 South LaSalle Street.

Brown's Linen Ledger Paper

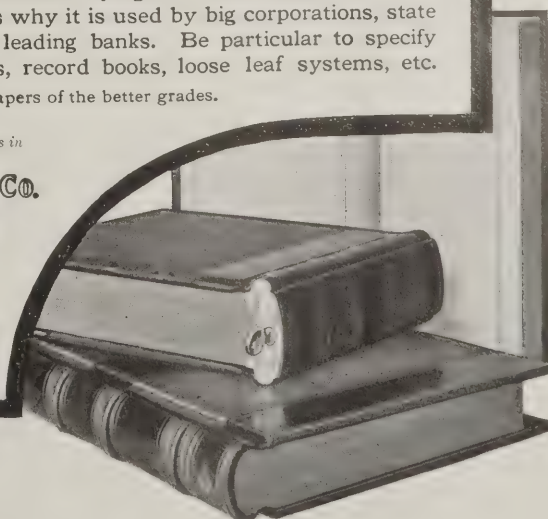
A paper never weakened or discolored by age. A writing surface never harmed by erasures. Reasons why it is used by big corporations, state and county governments and leading banks. Be particular to specify its use for important ledgers, record books, loose leaf systems, etc. We also make all Linen and Bond Papers of the better grades.

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LINEN LEDGER

L. L. BROWN PAPER COMPANY

Established 1850

ADAMS (Berkshire Co.), MASS.



E. W. ANDREWS, President
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**Assets Over
\$16,000,000**

The Seattle National Bank

OF SEATTLE, WASHINGTON

SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

R. V. ANKENY, Cashier
J. FURTH, Chairman Board of Directors

Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

Pacific Northwest Banking News

Spokane, Wash., May 7.—Settlement of the 8,000 to 10,000 delinquent tax claims of the city against about \$3,000,000 worth of city property for taxes of 1892, and prior years, will be accepted in full settlement twice the original tax debt instead of five times the original debt.

This was the decision of the city council's committee after the 20-year-old records of the unpaid taxes, which were recently discovered, were gone over. The city can legally collect the full amount of the delinquent taxes, which amount to from \$10,000 to \$12,000, and interest at 20 per cent a year for twenty years. It was decided to require payment of only twice the principal, which is equal to a 60 per cent straight reduction on a whole sum of tax and interest.

The 40 per cent compromise, however, must be paid before August 1st according to the committee's ruling, or the city will issue deeds to the property to itself.

The committee, which made the decision consisted of Mayor Hindley, Finance Commissioner Fairley, City Treasurer Lewis and Assistant Corporation Counsel H. M. Dunphy. The city council is expected to readily approve the decision.

To Vote on Bond Issue

A vote on a bond issue of \$150,000 will be called by the school board soon to determine whether or not the board shall issue bonds to that amount for the building of additions to the Roosevelt, Hay's Park, Frances Willard, Emerson and Whittier schools. Members of the board say these districts are badly in need of improvements to their buildings and believe the bond issue the only alternative. The present bonded indebtedness of the school district is \$1,976,500 and the proposed bond issue will take these figures over the two million mark. During the last five years \$1,350,000 has been raised by bonds, and if the proposed issue of \$150,000 is carried it will be the least amount that has been asked for during this period. Besides these bond issues, the board has realized \$115,000 from the sale of the Franklin grounds and \$90,000 from the sale of the Field grounds. The board is also contemplating the expenditure of \$6,000 in repairs on the North Central high school building.

Give Up Co-operative Investment Company and Bank

The co-operative Investment Company and bank, proposed by City Commissioner D. C. Coates to deal in city securities, has been given up by the commissioner and others interested in its organization following an unfavorable opinion given by the city legal department recently. The idea has not been dropped entirely, according to Commissioner Coates, who says the proposition of organizing a straight municipal bank, incorporating all the functions planned for the co-operative investment company and extending the scope of the proposition, will be taken up as soon as the cities of Washington are given home rule.

The present state law does not authorize a municipal bank and the co-operative investment company was therefore planned. The latter will be impracticable under the laws for banks and investment companies. The co-operative investment company and bank was principally to buy city certificates and resell them without profit in small denominations to citizens desiring to invest in them on the installment plan.

Pleads Guilty

James White of Coeur d'Alene, Idaho, charged with issuing checks not backed by funds in a number of North Idaho towns, pleaded guilty and was sentenced by Judge L. E. Worstell to pay a fine of \$150 and costs, or serve a jail sentence of 75 days. The checks were drawn on the Scandinavian-American Bank of Spokane. White was taken into custody at St. Maries, Idaho, after the checks had been returned from Spokane.

Daniel Morgan

Daniel Morgan, a well known banker of Spokane and one of the largest land owners in the Northwest, who is an enthusiast in dry

farming, has accepted an invitation from the Canadian Board of Control of the Seventh International Dry-Farming Congress, to be held at Lethbridge, Alta., October 21st to 26th, to make a tour of the Northwestern and Pacific slope states as field commissioner.

Ask for Change of Venue

The prosecution in the case of the Farmers Bank and Trust Company of Kendrick, Latah county, Idaho, against U. S. Grant Evans, has filed affidavits and application for change of venue from this county to the district court of Shoshone county. Evans was cashier of the bank from its organization five years ago until last year, when he was charged with having embezzled about \$14,000 of its funds and with having made false entries and alterations in the certificates of deposits records. The grounds assigned in the application for a change of venue are that the prosecution can not get a fair trial in either Latah, Nez Perce, Idaho, Lewis or Clearwater counties because of prejudice against the Vollmer Clearwater Grain Company, controlled by John P. Vollmer, who also controls the bank.

Banking Notes

C. A. Wallace, owner of a private bank at Republic, Wash., has filed a petition of bankruptcy in the clerk's office of the federal court. Wallace's debts are estimated at \$100,000.

Recently compiled statistics show that one-tenth of the depositors in the postal savings banks in the state of Washington are Spokane people, and their deposits amount to about one-eighteenth of the money. According to these statistics, there are 5,000 depositors in this state and of this number, 622 are Spokane accounts. The state ranks in the ninth place in the number of accounts, and sixth in amount of money deposited. The average amount to the credit of each depositor is considerably larger in Washington than is the average amount for the United States.

August Paulsen, a millionaire mining man of Spokane, and former director of the State Bank of Commerce of Wallace, Idaho, will have to stand trial for making false entries in the bank's books. A demurrer which was entered was not sustained by the state supreme court.

Seattle

The statement showing the condition of Seattle banks on April 18th, called for by the comptroller of the currency and the state bank examiner, is one of the best ever made by local financial institutions. The deposits of Seattle banks on April 18th were the largest in the history of Seattle, aggregating \$79,935,040, or \$1,580,083 in excess of the highest point previously reached by deposits, on November 10, 1910, when the item stood at \$78,375,957. The statement shows that loans stood at \$46,131,234, compared with \$44,022,762 February 20th.



The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

OFFICERS

D. W. TWOHY, President
T. J. HUMBERT, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

Guaranteed Irrigation Bonds. Guaranteed Water Works Bonds. Public Service Bonds. Municipal Bonds.	J. S. & W. S. KUHN INCORPORATED INVESTMENT BANKERS FIRST NATIONAL BANK BUILDING CHICAGO PITTSBURG PHILADELPHIA	There never has been a day's delay in the payment of either the principal or interest on any bond we have sold
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CHAPTER NEWS

CHICAGO CHAPTER, A. I. B.

By OTTO J. KRAMPIKOWSKY.

The Chicago Chapter debating team vs. the senate team of the Y. M. C. A. debated on the question, "Should Capital Punishment be Abolished," last Tuesday evening, May 7th, at the Northwestern University building. The affirmative side was taken by the senate team of the Y. M. C. A. and the negative side was taken by the Chicago Chapter team, composed of Joseph J. Schroeder, of the National Bank of the Republic; John W. Gorby, of the Peoples Trust and Savings Bank, and J. Harry Ashley, of the Corn Exchange National. The judges were Mr. Pratt and Mr. Castberg, attorneys and Mr. Moran of the postal service. The official timekeepers were Mr. Goetz and Mr. Reynolds. Each speaker was allowed twelve minutes to speak and five minutes for each man for rebuttal.

Mr. Saunders, of the senate team of the Y. M. C. A., was the first man to speak on the affirmative side, strictly condemning capital punishment as a most brutal punishment, stating that it had a tendency to increase murders instead of decreasing them, also giving statistics of the various countries where capital punishment had been abolished, compared with countries where it still was in existence.

Mr. Schroeder, of the Chicago Chapter team, was the first man to speak for the negative side, and upheld capital punishment as a deterrent against crime, and stated that it was a just punishment for murder, and that it should not be abolished. He also made reference to the fact that after the hanging of the four Guelzow murderers last February, there were only eight murders in the six weeks following the hanging in the city of Chicago, as compared with sixteen the year previous, giving the hanging of the murderers as his view of the decrease in crime.

Mr. Cole, next on the affirmative side, illustrated the number of murders committed during the years of 1900 to 1905, stating that over 42,419 murders were committed during this time, whereas only 619 of the 42,419 murderers were executed by way of capital punishment, illustrating this as to the view taken today by the people of the United States toward abolishing capital punishment.

Mr. Ashley, next on the negative side, upheld capital punishment as being the most humane punishment meted out to a murderer, as compared with life imprisonment, where a man is deprived of his liberty, which is the most precious gift to mankind, and that life imprisonment was barbarous, and inhuman as against hanging of a murderer.

Mr. Jones, next on the affirmative side, stated that the only way to stop murder and

crime was to perfect civilization. He condemned child labor, which he stated had a tendency to demoralize the children. He also stated that capital punishment should be abolished and instead of punishment being meted out to the murderer or criminal, he should be treated kindly in every way possible, letting him feel that it was our intention to better him instead of punishing him.

Mr. Gorby, next on the negative side, upheld capital punishment, and cited the stand taken by the Hon. Chief Justice John Marshall, in favor of capital punishment, as well as an army under the stars and stripes about to engage the enemy, when suddenly a mine is exploded in their midst and nearly 10,000 heroes of the stars and stripes sent to their graves perpetrated by a traitor to the stars and stripes, and that instead of hanging the traitor to his country for the killing of the 10,000 he would be told it was our intention to aid him to be good again and not hang him.

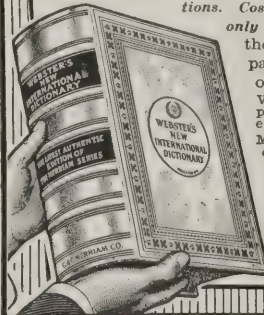
After Mr. Saunders delivered his rebuttal, a recess of a few minutes was granted for the judges to decide on the winning team. After the recess was over Mr. Castberg stated that all the judges had been greatly influenced by the various speakers and that they had a hard time coming to a decision, and finally decided that the affirmative side were the winning team.

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ROCHESTER CHAPTER NEWS

By C. F. Rothmeyer, Secretary

The annual banquet of the Rochester (New York) Chapter was held at Powers Hotel on the evening of April 23d. With the exception of the convention last year it was the largest and most interesting gathering of bank men ever held in this city. Nearly 250 men were in attendance, including many out-of-town guests. At the close of the dinner John Henderson, Jr., presiding, introduced Judge John D. Lynn as toastmaster, who enlivened the evening with an abundance of wit and humor. The first speaker was St. Elmo Lewis of Detroit, whose subject was "The Banker and the Changing Era." Mr. Lewis also touched upon "Bank Advertising," drawing a sharp contrast between a banker of several years ago who refused to advertise and the banker of to-day. Advertising, he said, was the voice of the banker making itself heard in the market place. His address was followed with close attention and at its conclusion received hearty applause. Mr. Lewis was followed by O. Howard Wolf of Chicago, secretary of the clearing house section of the American Bankers Association, who spoke on "Co-Operation." Mr. Wolf proved an able and interesting speaker, well familiar with his subject, and in his closing remarks led up to the address that followed on the "Numerical System," by J. A. Ward of the Cleveland National Bank. Mr. Ward illustrated very clearly how this system, when once universally adopted, would facilitate the handling of all items coming through the bank. "Confessions of a Publicity Man" was the subject of F. W. Ellsworth of the Guaranty Trust Company of New York. Mr. Ellsworth spoke of some of the business trials that confront the banker in demands for advertising, contributions to funds and personal donations. The banker, he said, is made the target for many attempted frauds. The last speaker was Raymond B. Cox, president of the American Institute of Banking, now assistant cashier of the Fourth National Bank of New York. While the subject of the address of Mr. Cox was "Efficiency," he supplemented this with a general talk on the educational value of the Institute. In an interesting manner which held the attention of the audience he reviewed the work of the fourteen thousand members of the Institute in seventy cities, extending from Seattle in the North to New Orleans in the South, and from San Francisco in the West to New York in the East. He showed by apt illustrations how in these different cities the members were working along the same lines as the Rochester Chapter to improve their standing in the financial community.

NEW STATE BANKS FOR ILLINOIS

Merchants and manufacturers of Brocton are contemplating organizing a new state bank for that town in the near future. A new state bank also is being planned for Catlin by W. A. Dickson, and for Normal by S. S. Boulton, J. F. Shepard and D. M. Glensing.

JOHN McHUGH - President
JOHN J. LARGE - V.-Pres.
W. L. MONTGOMERY, V.-Pres.
HENRY G. WEARE - V.-Pres.
F. A. McCORNACK - V.-Pres.
H. A. GOOCH - - - Cashier
O. D. PETTIT - Asst. Cashier
FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIoux CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
BUSINESS AND OFFER
YOU EXCEPTIONAL
FACILITIES. CORRE-
SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

I. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
Collections and Bank Accounts

Largest Bank in Clinton
County

Des Moines, May 8.—A tentative program for the state convention of the Iowa Bankers Association has been drafted by Secretary P. W. Hall. While the list of speakers is complete, the subjects for the addresses are not known as yet. The program will be as follows: Wednesday, June 5th, at 10 o'clock A. M., convention called to order by President E. J. Curtin; Invocation; address of welcome and response; annual address of the president; reports of Treasurer W. G. C. Bagley of Mason City and Secretary P. W. Hall of Des Moines. The following committee reports will be given:

Taxation, C. D. Ellis, Charles City.
Time Locks, Charles Shade, Rock Rapids.
Sundblad Fund, J. H. McCord, Spencer.
Auditing, C. J. Wohlenberg, Holstein.
Appointment of committees, resolutions, report of group chairmen.

Address, Prof. C. F. Curtiss, Ames College.
Address, "Modern Business," Elbert Hubbard, East Aurora, N. Y.

Wednesday, 2 P. M.—

Address, William J. Burns, W. J. Burns Detective Agency, Chicago.

Address, C. R. McKay, First National, Chicago.

Address, Hugh L. Cooper, vice-president and chief engineer Mississippi River Power Company, Keokuk.

Members of A. B. A. meet.

Thursday, June 6th, 9 A. M.—

Address, "The Banker in His Relation to the Public Welfare," B. F. Harris, Champaign, Ill., President Illinois Bankers Association.

Address, "Bonds," W. B. Boyce, president National Surety Company, New York.

Address, J. Adam Bede, Pine City, Minn.

Address, Joseph Chapman, Minneapolis, Minn., chairman agricultural committee of the A. B. A.

Report of committee on resolutions.

Report of other appointed committees.

Election of officers.

Unfinished business.

Adjournment.

Meeting of executive council.

Group Meetings the Past Week

This week has been a busy one for the various groups of Iowa. Group 5 met at Council Bluffs Tuesday; Group 2 at Fort Dodge Wednesday; Group 8 at Clinton Thursday; Group 6 at Colfax Friday. The latter meeting was contingent upon whether speakers could be secured. The speaker which it was expected to present was forced to decline and at this writing his successor has not been made certain. A list of the officers chosen at each group meeting will be published complete in a later edition of this paper.

Group 1 at Sheldon

The meeting of Group 1 at Sheldon, Thursday, May 2d, was the most successful of the sixteen which the bankers of this group have

had. The attendance was over 150. The headquarters were at the Sheldon Armory. Chairman W. H. Eddy called the group to order at 10 o'clock. Rev. C. M. Westlake of the Congregational church pronounced the invocation. There was music and the address of welcome by Fred E. Frisbee, president of the First National of Sheldon. The response was by George S. Parker, president of the Live Stock National of Sioux City. President E. J. Curtin of the I. B. A. spoke on "What the Iowa Bankers Association is Doing." Secretary P. W. Hall of the I. B. A. was the next speaker. Mr. Hall was formerly a Sheldon banker and he was given an enthusiastic greeting by his friends and neighbors. H. N. Grut of the Continental and Commercial of Chicago spoke in place of C. R. Hannan, Jr., of Council Bluffs, and Cyrus A. Barr of the Des Moines National spoke in place of John Cownie of Des Moines. There were reports, election of officers and adjournment. From 11 to 12 the wives of the Sheldon bankers entertained the wives of visiting bankers at the Frisbee home. At 1:30 dinner was served at the Arlington Hotel. The Sheldon bankers were hosts.

Group 5 at Council Bluffs

The program for the meeting of Group 5 at Council Bluffs, Tuesday, May 7th, was as follows: Headquarters at the Grand Hotel; 10 A. M., register and get acquainted. Chairman, N. V. Kuhl of Earling called the convention to order at 10:30. The address of welcome was given by Mayor Spencer Smith of Council Bluffs and the response was by Joseph Ross of Audubon. The main address was by Hon. Emmet Tinley of Council Bluffs and his subject was "Protective Feature of the I. B. A." Then came general discussion, reports, election of officers, and luncheon at 1:30. The group meeting was well attended and the bankers had an unusually interesting day.

Group 8 at Clinton

The meeting of Group 8 was held at Clinton, May 9th. The bankers convened at the Wapsipinicon club rooms at 10:30 A. M. There were reports of committees, general discussions and an interesting session generally. At 1 P. M. the Clinton and Lyons bankers entertained the visitors at luncheon. In the afternoon the program was published as follows: A. L. Bartholomew, Preston, "Duties and Privileges of Bank Directors"; George L. Schoonover, "Good Roads Agitation as a Banker's Asset"; George M. Titus, Muscatine, "Bank Directors in Legislature." The attendance was first class and the hosts outdid themselves in making their visitors feel at home. There was especial interest in the address on good roads as the bankers of Iowa are taking a great interest in affairs that relate to the upbuilding of the rural communities of the state and in agricultural affairs generally.

The program for the meeting of Group 2 at Fort Dodge, May 8th, is not obtainable in

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITORY

ESTABLISHED
As a Private Bank, 1877 As a National Bank, 1887
35 years of continuous, conservative and successful banking

OFFICERS
RALPH VAN VECHTEN, President
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Traverse City, Mich.—The bankers of the Grand Traverse district met here recently and formed an association for their mutual benefit, and the development of the country in which they are located. M. O. Robinson, of Traverse City, was elected president.

Des Moines at this writing but will be taken up next week. The program for the meeting of Group 9 at Lamoni, Friday, May 17th, will also be taken up in a later letter.

Dispute Over Illegal Statute

Attorney-General Cosson has taken a hand in the question of whether a banker, if he has voluntarily permitted an assessment to be made against bank stock under the terms of a certain statute, has the right to cancel that assessment if the statute is later held illegal. He has intervened in a case brought by Grant McPherrin, now president of the Drake Park Bank of Des Moines but formerly president of the First National at Clearfield. Mr. McPherrin demands that the assessment be canceled, but the attorney-general holds differently and Special Counsel C. A. Robbins will represent the state in the action. It appears that the question is involved in many cases which have been started in Iowa. In some counties the tax has been refunded and in others it has been retained. The attorney-general hopes to secure a legal opinion that will make a rule for all Iowa. Some years ago the Home Savings Bank at Des Moines secured an opinion through the United States supreme court to the effect that the statute discriminated against state and savings banks because it provided for taxation of stock in savings banks to individual stockholders while national banks were handled in a different way. The Estherville bank case, famous in Iowa, was before the Iowa supreme court and the assessment law was knocked out. Then the last legislature amended the statute so that now it is undoubtedly legal. There will be considerable interest among Iowa bankers in the outcome of the suit in which Mr. McPherrin is to be the "goat."

J. H. Ingwersen Receives Favorable Replies

General endorsement seems to have followed the letter which J. H. Ingwersen of the Peoples Trust and Savings at Clinton has been sending over the state urging co-operation in securing certain bank legislation. Des Moines bankers believe that the questions will come up at the state bankers association convention and probably some definite action taken as to the attitude that the banks shall assume prior to the next legislative session. Mr. Ingwersen wants state and savings banks put on an equal basis with national banks in acting as postal bank depositories. He also wants permission granted to Iowa banks to loan money on real estate in other states. This latter law is always before the Iowa legislature but seems to lose out before the session ends.

Citizens Savings at Cedar Falls

The opening of the new Citizens Savings building at Cedar Falls appears to have been an event of unusual interest. It is estimated that fully 5,000 people visited the handsome new institution, and there was a great scramble to see who would be first to make a deposit therein. Two orchestras played during the day and evening. Cigars were given to the men and carnations to the women. The new structure itself is handsome and modern in every way. The fixtures are especially beautiful and at the same time useful. The interior arrangement is exceptional in the way of facilities for prompt and adequate transaction of business. The institution is eighteen years old. C. A. Wise, one of the best known financiers in northeastern Iowa, is president. W. N. Hostrop and H. N. Silliman are vice-presidents and J. E. Evans is cashier.

Attempt at Bank Robbery

Efforts were made to rob the bank at Sharpsburg, but apparently the yeggs were delayed in getting started and were frightened



MANY bankers, from time to time, have need of a special or secondary reserve fund. This reserve fund they carry in bonds or as an inactive account at interest with a metropolitan bank. We make a specialty of handling such inactive reserve accounts for banks and bankers, and of supplying carefully selected bonds for investment, circulation, emergency currency, government deposits or postal savings fund purposes. To banks intending to establish a secondary reserve fund unexcelled facilities are offered.

We have prepared an exceptionally informative leaflet on government bond data in concise enough form to be practical to every banker, — just the thing to have close at hand for ready reference. We shall be pleased to send these leaflets free upon request.

Harris Trust & Savings Bank

Organized as N. W. HARRIS & CO. 1882. Incorporated 1907

HARRIS TRUST BUILDING, CHICAGO

away before they had accomplished anything further than to bore holes in the door. It appears that the busy editor, Elliott Hurd, was kept in his office on business until very late that night. Apparently the robbers did not wish to work until he had left. Later, Claude Pawell, an employee of the bank, passed the institution on his way to the depot to take an early train to Bedford. So the men gave it up and quit, leaving their soap behind them. The footprints on the walk in front of the bank indicated that a third man stood guard on the outside while his confederates worked within.

Catch Woman Forger

The First National at Waterloo did not spare

time in running down a woman forger after she had defrauded that institution out of \$250 on a bogus check and she was arrested at Jesup. The woman was accompanied by a little child of three years and she bore herself with confidence as she walked up to the cashier's window and presented a check drawn on the Jesup State. The check was cashed but was discovered to be a forgery shortly afterwards. The woman was apprehended within a short time. The Waterloo police were also successful in locating one Arthur Quaintance, wanted for forgery, and he was arrested at Glendive, Mont., and returned to Waterloo. Quaintance cashed a check for \$125 on a Waterloo bank while he was in St. Paul. When the bank found the check was a forgery,

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Engravers

Quaintance had gone west. It is said that Quaintance, who was recently married, forged the checks with which he purchased his wedding clothes.

Death of Judge J. W. Freeland

Judge J. W. Freeland, aged 70, pioneer jurist and banker at Corydon, dropped dead while at work in his garden. Death was entirely unexpected. The deceased was in the banking business with E. E. Clark, now president of the Bankers Life Insurance Company of Des Moines, prior to 1874, and their institution was robbed by the famous James boys. In 1874 the institution was sold and Judge Freeland joined in the organization of the Wayne County State at Corydon. For the past twenty-seven years he had been president of the institution. Judge Freeland was at one time democratic candidate for congress and at another time candidate for a place on the supreme court bench.

Increase in Clearings for April

Des Moines bankers are elated over the showing for April when the Clearing House Association announced an increase in clearings of \$3,516,335.07 for the month over the clearings for April last year. The total this year was \$21,107,881.99 and for April last year, \$17,591,546.92. For the last week of the month the clearings gained \$215,305.50 over the corresponding week last year.

Investigate Work of Kansas Tax Law Commission

The Iowa tax commission has been in Kansas looking into tax laws there and getting pointers from the Kansas commission. It is regarded as practically certain that the Iowa commission will recommend a permanent commission such as Kansas has. There are many good features in the Kansas tax laws that the Iowans will study at length. Bankers are taking an especial interest in the doings of the Iowa commission. They are hoping that there will be some amendments recommended along the line of improved and equitable bank taxation. B. E. Stonebraker of Rockwell City and C. N. Voss of Davenport are two bankers on the commission. Both went to Kansas.

Commence Work On New Building

The Iowa State Bank and Trust Company of West Liberty has commenced work on what it declares will be the finest bank build-

ing in Iowa for a town the size of West Liberty. That is rather a strong statement as Iowa has some remarkably attractive bank structures. The bank is at present doing business in a temporary building erected on Main Street. The institution was established in 1897 and has made a phenomenal growth. The plans provide for a structure modern in every respect, built of Bedford stone with concrete fireproof construction. The first floor will be used by the bank. There will be safety deposit vaults, a storage vault in the basement, steam vacuum heat, the latest in the way of fixtures.

Iowa Banking Notes

John Ware has been arrested at Seymour charged with mailing threatening letters to Dr. A. C. Cover as mentioned in a similar letter to THE CHICAGO BANKER. The government charges that Ware threatened dire disaster to Dr. Cover if the latter did not disgorge \$1,000. It is thought in Des Moines that Ware is related to Roy Ware of the Farmers and Drovers Bank which failed at Seymour some months ago and that the letters had some relation to that institution.

Sioux City

By JOHN J. BIDDISON.

"Cherking up" is the way one Sioux City banker this week expressed the trade situation of Sioux City and its territory. Local merchants are having a fair trade, and business in the country has picked up materially this spring, due to sales of farm produce. Wholesalers, therefore, are having a good trade, and money is generally easy. Probably there never has been a brighter crop prospect in northwestern Iowa and the corners of Nebraska, South Dakota and Minnesota than there is to-day. Without an exception, every crop is promising. Winter was delayed long enough to save fruit from early budding and later frost-bites. Spring rains, that have been frequent and gentle, followed a winter of unusually large precipitation. The soil therefore is in perfect condition, and if this territory does not produce bounteous crops it will be for reasons that are not now apparent. The outlook, together with the ease with which money is obtainable, has made this spring a favorable building season. The city therefore is witnessing an unusual amount

of construction work. Building permits for the spring months have thus far totaled nearly a million dollars.

Group 1 Elects Officers for Ensuing Year

At the meeting of Group 1 of the Iowa Bankers Association, held at Sheldon, the following officers were elected: President, C. J. Wohlenberg, cashier Holstein Savings Bank; secretary, Fred E. Frisbee, president of the First National of Holstein. Chas. Shade, president of the First National Bank of Sheldon, was endorsed for president of the state association. E. J. Curtin, president of the state association, and P. W. Hall, secretary, were in attendance at the meeting.

Banking News

After having managed the business ever since he instituted the Commercial Bank of Kearney, Neb., five years ago, T. B. Garrison, its president, has turned over all his interests to his son, T. B. Garrison, Jr., who was cashier.

A new bank is to be established at Cushing, Ia. The promoters plan a two-story building on a lot already purchased.

The clearing house reports for Aberdeen, S. D., show an increase for April of nearly \$60,000 over the record of the preceding April.

Postal savings bank receipts in April at the Sioux City postoffice showed a falling off from March of \$895. The total was only \$1,316.

Sioux City banks have begun their summer closing schedule. Doors will close at 1 p. m. on Saturdays until September.

Sioux City bankers who attended the Group 1 meeting at Sheldon, Ia., were the following: John McHugh, of the First National; Geo. S. Parker, of the Live Stock National; J. A. Magoun, of the Northwestern National; W. P. Manley, C. W. Britton, and D. M. Brownlee, of the Security National.

Among the Visiting Bankers

W. G. Bolser, president of the German-American Savings Bank, of Le Mars, Ia., was a Sioux City visitor Friday.

Herman Fortin, cashier of the Farmers Bank of Salix, Ia., transacted business in Sioux City Monday.

Oscar F. Thieme, former assemblyman, has been chosen to succeed E. B. Ingalls as cashier of the South Milwaukee Bank.

First National Bank

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HOUSTON - - TEXAS

Capital - \$2,000,000

Surplus - - 200,000

Deposits - - 9,000,000

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DALLAS - - TEXAS

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UNDIVIDED PROFITS \$300,000

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E. M. REARDON, Vice-Pres.	R. E. GAHAGAN, Asst. Cash.
E. J. GANNON, Vice-Pres.	F. H. BLANKENSHIP, Asst. Cash.
JOHN N. SIMPSON, Vice-Pres.	C. J. GRANT, Auditor

Resources over Fifteen Millions

TEXAS CONVENTION

(Continued from page 19)

Officers making the reports were J. W. Hoopes, secretary; Thomas F. Rodgers, treasurer, and W. A. Boyd, chief detective.

The section of the secretary's report relating to membership is of pertinent interest in that it shows the growth made in the last year. It is as follows:

Great Growth Is Shown

"From the standpoint of enrolling new members, I am gratified to state that during this year we have enrolled 126 banks. Our last year's enrollment numbered 1193. To this amount is added 126 members making a total of 1319. From this number I have to report a loss of eleven members.

Deducting the eleven members from the total of 1319, leaves a balance of 1308 members. Again from this number, I regret to state, that since my last report thirty-six of our members were dropped from our rolls on account of consolidations, liquidations and failures. Thus you will see that the net gain for this year, under these trying conditions, was 79 members.

"The increased interest in any association is naturally shown by its growth, and the following table of figures will show conclusively that our association is steadily growing, and that our losses are very small, scarcely to be reckoned with.

1904	570 members
1905	630 members
1906	706 members
1907	855 members
1908	872 members
1909	946 members
1910	1093 members
1911	1193 members
1912	1272 members

Interesting Legislative Matters

His report on legislative matters is as follows:

"Before another annual meeting we will have the legislature with us again, and as there are several matters of interest to bankers, which will be presented again, our legislative committee will perhaps have an unusually busy time. I take this opportunity again to say that the committee work is largely hampered by our members. The work itself is hard, but it could be made a great deal easier if our members would respond promptly to

the requests that the committee makes of them.

"The recent decision of the supreme court on compress receipts necessitates legislation along this line. This is perhaps the most important matter of its kind that has confronted the bankers for several years. When the legislative committee writes you to take this or any other matter up with your legislators, please do so promptly.

"An effort will be made this year to have the uniform negotiable instrument law enacted in this state. Co-operation of our members along this line is also urged.

"The recent ruling of the United States internal revenue commissioner calling on banks to render corrected gross income reports wherever taxes have been deducted, is a matter of considerable importance to the bankers of this state, for it simply means that they are to be taxed by the United States government on the amount that they have paid for state, county and municipal taxes. The proposition is so manifestly unfair that it seems to me that a test case on this ruling should be arranged for at once by members of this association, and the suggestion is here made, that the present convention take some action along this line."

Should Accomplish Much Good

F. M. Law arrived during the course of the session, and in a short talk said that the bankers have come to San Antonio with seriousness of purpose and should accomplish much good during the convention.

Ed. R. Kone, commissioner of agriculture, made a forcible speech in which he said it gave him pleasure as a representative of the tillers of the soil, who are the wealth producers, to address the custodians of wealth. He complimented the bankers for their assistance in development of the state and urged co-operation between agricultural and banking interests.

Moses B. Hazeltine of Prescott, Ariz., representing the Arizona Bankers Association, made a short talk.

Afternoon Session

At the afternoon session addresses were made by C. A. Sanford, vice-president of the Commercial State Bank, Sherman on "Conscience in Banking," and by Jas. E. Ferguson, president of the Temple State Bank, on "Why the Aldrich Bill Should Not Pass." President Hamby and Mr. Ferguson started the fight against the National Reserve Association plan, and the latter made a very telling speech

against the measure. Mr. Sanford's address will be found elsewhere in this edition.

Wednesday Session

That the Texas Bankers are opposed to the National Reserve Association plan of currency reform was brought out in a number of speeches by financiers assembled here. A resolution to be acted upon to-morrow indorses the action of the Texas congressmen and senators who opposed the measure. After the invocation by Rev. J. H. Quinn addresses were made by McLane Tilton, secretary of the Alabama Bankers Association, on "Crimes Against Cotton," and by Nathan Adams of Dallas on "The Necessity of Negotiable Compress Receipts and Better Handling of Cotton Bills of Lading." After the adjournment for lunch members of the American Bankers Association present met and elected Oscar Wells of Houston as Texas member of the nomination committee of the national association. At the afternoon session addresses were delivered by J. A. Pondrum, vice-president of the Texarkana National, on, "Can the Overdraft be Eliminated?" and by Hon. Hiram Glass of Austin on "Texas, Railroad Stock and Bond Law."

Women Bankers Form Organization

During a spirited meeting a Women's Banking Association was formed, the first of its kind in the United States. Miss Lena Riddle of Austin, editor of the Bankers Record, was elected president.

Last Day Session

Wm. J. Burns, president of the Wm. J. Burns National Detective Agency, will address the convention to-morrow. After the selection of the next place of meeting, officers for the ensuing year will be elected.

Entertainment Features

Among the entertainment features was an automobile ride for the ladies on Tuesday afternoon, taking them to the Country Club where an informal tea was served. In the evening a special vaudeville performance was given at the Plaza theatre. On Wednesday evening a special vaudeville performance was thony Hotel with a vaudeville performance and Dutch lunch on the roof garden of the hotel. On Thursday, immediately after adjournment for luncheon, a special train will leave the M. K. & T. depot for New Braunfels, where the delegates will be tendered a barbecue at Landa's Park.

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For Sale. Practically new Victor safe No. 50, manganese steel; weighs 3,500 pounds; outside dimensions 43 inches high, 28 inches wide and 30 inches deep; inside capacity about 4 cubic feet; screw door; 30 day time lock with triple movement. This safe is as good as new and you can save some money. Minnesota Loan & Trust Co., Minneapolis, Minn.

For Sale Cheap. 300 second hand safe deposit boxes, in four sections. Will sell either 132 or 168 boxes. Good proportion of small and large. Good condition. Write for full description. Southern Illinois Trust Company, East St. Louis, Ill.

FOR SALE—Factory

The Ann Arbor Piano Factory with complete modern equipment manufacturing pianos and organs. Well assorted manufactured stock; also material raw and in process, cash accounts, unfilled orders, patterns and patents. Business has been operated continuously and has well established trade. Buildings new. Property comprises model power and heating plant, line office, ample storage, machinery and equipment new and first class. Sale by Public Auction to highest bidder, June 20th, 1912, at Ann Arbor, Michigan. Inventory can be inspected after June 15, 1912, at the office of the Register of the Circuit Court, Ann Arbor, Michigan, or at the office of William H. Murray at the office of said Company, 110 South First Street, Ann Arbor, Michigan.

FOR SALE—Miscellaneous

1-A Reflex, local plane shutter, Celorsix-inch lens. Cost \$84.50. Like new, \$15.00. Address, X-44, Chicago Banker.

1-A Graflex, IC, Tessar lens, focal plane shutter (new out of stock), value, \$101.50. Sell, \$85.00 Cash. Address, X-55, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER, A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.00. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to the issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safeguard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

History of Banking in the United States. John Jay Knox. \$5.00.

Practical Banking. Claudius B. Patten. \$5.00.

Modern Banking Methods. A. R. Barrett. \$4.00.

Elements of Foreign Exchange. Franklin Escher. \$1.00.

Gold Production and Future Prices. Harrison H. Brace. \$1.50.

Pushing Your Business. T. D. MacGregor. \$1.25.

Economic Causes of Great Fortunes. Anna Youngman. \$1.50.

Neglected Point in Connection with Crises. N. Johannsen. \$1.50.

Monies of the World. James P. Gardner. 50c.

Bankers' and Merchants' Perpetual Maturity Guide. \$5.00.

Trust Companies—Their Organization, Growth and Management. Clay Herrick. \$4.00.

Savings Bank and Its Practical Work. Wm. H. Kniffin, Jr. \$5.00.

Practical Treatise on Banking and Commerce. George Hague. \$3.00.

Banker in Literature. Johnson Brigham. \$2.00.

Bank Directors—Their Powers, Duties and Liabilities. John J. Crawford. 50c.

Credit Currency. Elmer H. Youngman. 50c.

Natural Money. John Raymond Cummings. \$2.00.

Two Thousand Points for Financial Advertising. T. D. MacGregor. \$1.50.

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Department of New Business

NORTHWEST

Winnebago, Ill.—The Winnebago State Bank has been incorporated with \$25,000 capital. William Andrews, Niles Patterson, C. P. Coolidge, W. H. Patton and C. A. Kearns are interested.

Metamora, Ill.—The Farmers Bank has been organized. J. A. Ranney is the principal organizer.

Martinton, Ill.—The Martinton State Bank is new. Frank P. Martin, Elmer S. Martin, and E. H. Munsterman are interested.

Oshkosh, Wis.—The Exchange Bank of Oshkosh has been given a charter. Capital \$50,000. Wm. Glatz, president, and H. Eilers, cashier.

Schleisingerville, Wis.—The Farmers State Bank has been incorporated. John Rosenheimer, Joseph Rosenheimer and E. T. Monroe are interested.

Waunakee, Wis.—The Farmers State Bank has been chartered, capital \$15,000. G. Schunk, president; Fred G. Schunk, cashier.

Arnott, Wis.—The State Bank will open shortly. Capital \$10,000. C. G. Himley of Crandon, Wis., will be cashier. Chas. Breitenstein, president.

New Vienna, Iowa.—The Farmers State Savings Bank has been formed, capital \$10,000, and will open for business at once.

Dundas, Minn.—The State Bank of Dundas has been incorporated with a capital of \$10,000. A new bank building will be erected. J. G. Schmidt and F. W. Shandorf are president and cashier respectively.

Ironton, Minn.—The First State Bank has been chartered with \$10,000 capital. H. Thorson, of Drake, N. D., H. Sampson, of Elbow Lake, Minn., and M. B. Ellington and J. E. Mattson, of Ironton, are interested.

Allendale, Mo.—The Farmers Bank has been organized with \$10,000 capital. J. L. Tilton, E. Tilton, C. A. Hammen and G. E. Hammen are interested.

Lutesville, Mo.—The Farmers and Merchants Bank has been organized with \$25,000 capital. R. W. Van Aubury is to be president.

Clever, Mo.—The Farmers and Merchants Bank has been organized. E. E. Wade, M. C. Hall, E. S. Little, F. G. Netzer and Henry Inman are interested.

Springfield, Mo.—The Drovers Bank has been organized with \$25,000 capital. W. F. Frazier, W. R. Morgan, F. C. Garrett, W. S. Russellville, Mo.—The Farmers and Merchants Bank has been organized with \$15,000 capital.

Bowbells, N. D.—The Burke County State Bank has been incorporated, capital \$10,000. E. F. Volkman, B. H. Edminster, C. W. Alldrin, all of Fessenden, N. D. The bank is to open May 1st.

SOUTH

Nashville, Tenn.—The Tennessee Trust Co. has incorporated. E. A. Lindsey, G. A. Washington, W. J. Cude, D. H. Bailey, B. F. Allnutt, G. N. Tillman, H. Sperry and W. W. Dillon are interested.

Watson, Ark.—The Desha County Bank has incorporated with \$25,000 capital. Henry Thane is president and W. J. Massey vice-president.

Black Oak, Ark.—The Bank of Black Oak has been organized. W. Mangrum is president, W. C. Craig vice-president and M. C. Arington, cashier.

Fordyce, Ark.—The Bankers Mortgage and Trust Co. has just completed its organization

with the following officers: C. S. McCain, president; Dr. H. H. Longino, vice-president; J. R. Hampton, treasurer, and J. H. Meek, secretary.

McHenry, Miss.—The Merchants and Farmers Bank has been incorporated. George R. Burton, T. J. B. Kellier, M. P. Bouslog, F. W. Foote, L. B. Godard, Rufus Broadadd, G. A. McHenry and T. C. Ruble are interested.

Phitchett, Tex.—The First State Bank has obtained a charter. J. G. Eastham, J. C. Roberts and J. K. Mitchell are concerned.

San Antonio, Tex.—The Wolf Banking Co. has obtained a charter. Philip Wolf, Herman A. Wolf and Edgar Wolf are interested.

Lynn Haven, Fla.—The Lynn Haven Bank and Trust Company has been organized with \$165,000.

EAST

Butler, Ohio.—The Citizens Bank has been organized with N. W. Cunningham, president, and H. O. Frederick, temporary cashier.

Freeburg, Pa.—The Freeburg State Bank has been organized with \$25,000 capital. Galen Shottsburger, Benjamin Apple, F. A. Witner, Edward Raker and J. A. Grimm are interested. Smith, D. M. Huffman and others are interested.

WEST

North Loup, Neb.—The North Loup State Bank has been organized with E. S. Andrews president, W. H. Schultz vice-president and C. O. Earnest cashier.

Sholes, Neb.—The Wayne County Bank has been organized. B. Stevenson, W. H. Root, E. Randa, A. E. McDowell, W. Gramkau and John Hadley are interested.

Princeton, Cal.—The Bank of Princeton, just organized, has the following officers: T. Harrington, president; W. A. Yerxa, vice-president, and F. M. Porter, cashier.

Yuba City, Cal.—The Sutter County Savings Bank has been organized with \$25,000 capital. The directors are: C. R. Boyd, G. T. Boyd, B. F. Walton, Henry Best, H. A. Walton, Jr., F. S. Walton and J. W. Moore.

Watonga, Okla.—The Watonga State Bank has been organized with \$15,000 capital. H. Clay Willis, of Fairview, Roy J. Smith of Okene and W. M. Gardner are interested.

Lingle, Wyo.—The Lingle State Bank has been organized. Among those concerned are: J. L. McHanald, H. S. Clarke, Jr., E. H. Reid, W. C. Woods and F. W. Frevort.

Columbus, N. M.—The Columbus State Bank has organized with the following incorporators: S. S. Waterbury, A. J. Boyd and P. C. Hoover.

Milford, Utah.—The Milford State Bank has incorporated. J. D. McAnley is president, Chesley Barton cashier.

Payette, Idaho.—The Fruit Growers State Bank has incorporated.

SHRINERS MEET IN LOS ANGELES

The thirty-eighth annual convention of the Nobles of the Mystic Shrine was formally opened in Los Angeles on Tuesday of this week. More than 100,000 persons witnessed the march of the Shriners' patrols in the first formal parade of the annual conclave. Nelson N. Lampert, vice-president of the Fort Dearborn National of this city, is in Los Angeles attending the convention. The Shriners' convention being held at this time of the year precluded Mr. Lampert's going to Briarcliff to attend the sessions of the executive council of the American Bankers Association.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

for agricultural development. George E. Allen is the active hayseed on this subject in New York.

JOS. G. BROWN of Raleigh, N. C., remains a favorite with every one, and is a most enjoyable companion, even on serious subjects.

BRIARCLIFF sent congratulations through Secretary J. W. Hoopes to the Texas Bankers Association, and Hoopes being "detained away," Edens wore his new badge on the other lapel of his coat.

FRED. KENT, Clay Hollister, and George Orde were among those who played in the rain, which they courteously called a Scotch Mist.

CHAIRMAN ARTHUR REYNOLDS of the Big Council visited nearly all the committee rooms, not to participate, but to keep track of the work being done. He thus understood the intent and the degree of earnestness behind most of the things which came up before the council on Tuesday and Wednesday.

COUNSEL PATON takes an interest in the new committees and fell in with the farmers' movement and was warmly welcomed.

J. F. SARTORI, who presided at the savings bank section meeting, then left for Europe, shipping a big new six-cylinder and a chauffeur in advance. He will not be back in Los Angeles until after the Detroit convention.

SARTORI had his beginnings in Lamars, Iowa, and called his big forty million dollar Security Savings Bank after the Security National founded by his friend Manly of Sioux City. Manly and Sartori dined together at Briarcliff to talk over "early days."

AUGUST 7th and 8th was fixed for the second annual conference of bankers on the agricultural movement at Minneapolis and St. Paul. The sessions will be as before in Minneapolis on the first day and in St. Paul on the second day. This is the most interesting of the new movements in the A. B. A. ranks.

MESDAMES Farrell, Smith, Greene and Reynolds kept together and seemed to enjoy every facility of the magnificent Lodge.

PRESIDENT LEWIS E. PIERSON was one of the early ones at the railway station with his big touring car to haul the bankers over to Briarcliff. There was a story that Pierson's bank is to expand by about twelve millions, taking in a neighboring institution. Will anyone out West be sorry to see Pierson's hopes realized? You bet not!

YES, the council was quite willing to help along the back-to-the-farm movement. Full hearing was given to the committee.

G. M. REYNOLDS "came back" from New York on Monday, where he went direct on the Special, not stopping at Briarcliff on the way out.

REFORM blew up from way out at Atchison, Kan., and the finance committee passed a resolution not to pay hereafter for committeemen's expenses. Some old soldiers have been in the habit of devising something to have referred to a committee and then to get on the committee.

ONE man is said to have had the benefit of an A. B. A. expense account for thirteen consecutive years with nothing to show for it.

A **NOTHER** genius has twice revived an old committee which, counting in his terms on the council, has kept him in expense

money for two or three eastern trips per year for the past fifteen years. Nice work.

GOVERNOR BAILEY proposes to cut them off. The committeemen on the sections, not members of council, will likewise fall if the resolution goes through. Some members disbelieve in paying the expenses of any officer of the association on any occasion.

LOUD kicks were heard on all hands about the employees from 11 Pine Street going to the mid-year conferences in such great numbers and including the whole family in the expense account. No legislation should be required to change notions and customs of this kind when they become abuses. The committee on administration or the finance committee should use the blue pencil—or the axe.

THE committee on amendments went on record as favoring an early "revision and rejuvenation" in the true Illinois style, also in favor of confining committee work as much as possible to members of council as was intended in the constitution. They think they would get better work, and the longest any man then could attach himself to a job would be during his term of office.

IT is quite likely that a wave of reform will sweep the deck at Detroit if conditions are not promptly and broadly changed by the officials in power.

R. W. NOBLE, president of the Bethany (Ill.) State, is one of the "live wires" of Moultrie county. Besides being president of a thriving bank, he is conducting a grain business. This year he has for sale some very fine seed corn, which, when tested, shows a 90 to 95 per cent germination. Anyone desiring such corn would do well to communicate with him.

DOWN in Bethany, Illinois, they have a community association, which is incorporated under the title of "The Local and Agricultural Improvement Association of Bethany." Each year some kind of a contest is held and cash prizes awarded. For 1912 the contest is for the largest yield of corn on ten acres. The contestants are to keep records of the work they do, and the winners will tell how they accomplished their results, thus bringing out some valuable information. Other subjects of interest to the community

will be taken up from time to time. A small membership fee is charged, and at present there are about 125 members in the association.

THE comptroller of the currency, recently issued a charter to the First National Bank of Mazon, Ill. The capital of the new institution is \$35,000. F. H. Clapp is president, and G. E. Clapp is cashier. The First National succeeds the Peoples Bank of Mazon.

GIRARD NATIONAL of Philadelphia occupies the oldest bank building in America, it having been built for the first bank of the United States in 1795. It was bought by Stephen Girard in 1815, and occupied by him until his death in 1831. The Girard Bank and the Girard National have been the tenants of the building since 1832. The interior of the structure has been remodeled and contains the most modern of equipment.

THE capital of the institution is two millions, with surplus and net profits of \$4,716,095.98; deposits are \$46,277,089.45. Francis B. Reeves is president.

BANK OF COMMERCE, Winnebago, Minn., has been closed by Kelsey S. Chase, state examiner. The bank has a capital of \$20,000 and deposits of \$210,000.

BANK OF PITTSBURGH, in a very handsome statement issued at the last call, lays claim to the distinction of being the oldest bank in the United States west of the Alleghany Mountains, the institution having been founded in 1810. It has a capital stock of \$2,400,000, and a surplus and undivided profits of \$3,339,139.25. Deposits are well over twenty-one millions. Harrison Nesbit is president.

CASHIER.

David R. Forgan

David R. Forgan, president of the National City Bank of this city, sailed for Europe on Saturday last. Mr. Forgan expects to be on the other side of the "pond" for two months or so, and he expects to make the trip in the nature of a vacation.

H. W. YATES CELEBRATES GOLDEN WEDDING

Henry W. Yates, president of the Nebraska National Bank of Omaha, and Mrs. Yates, celebrated their golden wedding at their beautiful home, "Hill Side," on April 22d. Over three hundred guests were present. They enjoyed the company of three daughters, one son, four grandchildren and one great-grandchild. They were wedded at Savannah, Mo., in 1862, Mr. Yates then being located in St. Joseph. The same year they came to Omaha, and shortly after he became cashier of the First National Bank, a position held until 1882. Then he founded the Nebraska National Bank, of which he has ever since been the president.

INDIANA GROUP MEETING

Group 7, Indiana, will hold its annual meeting this year at New Albany on May 16th. Luncheon will be served to the delegates by the New Albany banks at noon and the meeting will be called to order at 1:30. All those attending are invited to participate in the general discussions. It is suggested that those desiring to make extended remarks have the same reduced to writing in order to facilitate the work of the reporter. It is proposed to make the meeting of substantial benefit—not only to the banker, but also to the community. John C. Zulauf is chairman of the group and W. W. Cave is secretary.

A 6% Investment

We own and offer a limited block of a well-known equipment and real estate mortgage, secured by nearly two for one, with a clean financial record. These bonds are held by many banks—one prominent institution holds \$250,000 for its own investment. They mature in 1916 and may be obtained so as to net you 6%.

The full particulars will be promptly furnished to you—and without cost or obligation on your part, either.

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Third National Bank Building

ST. LOUIS, MO.

ALL BRANCHES OF BANKING



1857

1912

ORSON SMITH . . . President P. C. PETERSON Assistant Cashier
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 FRANK G. NELSON . . . Vice-President LEON L. LOEHR Sec'y and Trust Officer
 JOHN E. BLUNT, Jr. . . . Vice-President F. W. THOMPSON, Mgr. Farm Loan Dep't
 J. G. ORCHARD Cashier H. G. P. DEANS . . . Mgr. Foreign Dep't

CAPITAL AND SURPLUS - \$9,000,000



If You Desire to Collect Your Out-of-Town Items Promptly
 send them to The National City Bank of Chicago

Correspondence Invited

THE NATIONAL CITY BANK
OF CHICAGO

Capital \$ 2,000,000.00
 Surplus and Undivided Profits 587,563.63
 Deposits 30,713,013.20

OFFICERS

ALFRED L. BAKER . . . DAVID R. FORGAN, President
 H. E. OTTE Vice-President HENRY MEYER . . . Assistant Cashier
 F. A. CRANDALL . . . Vice-President A. W. MORTON . . . Assistant Cashier
 L. H. GRIMME Vice-President WM. N. JARNAGIN . . . Assistant Cashier
 W. T. PERKINS Cashier WALKER G. McLAURY Assistant Cashier
 W. D. DICKEY . . . Assistant Cashier R. U. LANSING . . . Manager Bond Dept.
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The Brandt Automatic Cashier

SAVES

all the bother
 and worry of
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Saves 25% in
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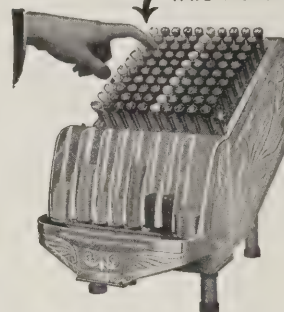
Prevents

errors.

It's

automatic.

PRESS ONLY ONE KEY **71¢**
 PAYS MONEY



Pressing ONLY ONE KEY
 Completes the Transaction

COSTS

less than
5 cents a day
 to own.

Requires no
 supplies — no
 repairs.

TEN-YEAR
 guarantee.

BRANDT CASHIER COMPANY
 727 SO. DEARBORN ST. CHICAGO

New Trains to ST. LOUIS

VIA THE

NEW ALL-STEEL TRAIN
DAYLIGHT SPECIAL

Leaves Chicago 10:02 a. m., arrives St. Louis (via Merchants Bridge) 6:02 p. m. New indestructible Steel Cars of Handsome Interior Finish. Every comfort and convenience will be found on this train.

NEW EVENING TRAIN
ST. LOUIS EXPRESS

Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m. An up-to-date train in every particular, with an early evening departure from Chicago.

New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped throughout, with a late evening departure from Chicago. Stops made in both directions at South Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars, Sleeping Cars. Free Reclining Chair Cars and Coaches.

ALL TRAINS ELECTRIC LIGHTED

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City Ticket Office **76 W. ADAMS ST.** Commercial National Bank Building
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Fourth Street National Bank
OF PHILADELPHIA

Capital \$3,000,000.00
 Surplus and Profits 650,000.00

UNEXCELLED COLLECTION FACILITIES
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 JAMES HAY, Vice-President R. J. CLARK, Cashier
 B. M. FAIRES, Vice-President W. A. BULKLEY, Assistant Cashier
 W. K. HARDT, Assistant Cashier

The Girard National Bank
OF PHILADELPHIA

Capital \$2,000,000
 Surplus and Profits 4,716,000
 Deposits 46,275,000

FRANCIS B. REEVES
 President

RICHARD L. AUSTIN
 Vice-President

T. E. WIEDERSHEIM
 Vice-President

JOSEPH WAYNE, JR.
 Vice-President & Cashier

CHARLES M. ASHTON
 Assistant Cashier

CHARLES F. WIGNALL
 Assistant Cashier

To satisfactorily handle your business, you need a Philadelphia account

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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

MAY 18, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago, Illinois, under Act of March 3, 1879

10 CENTS A COPY

IRVING-MERCANTILE NATIONAL

Irving-Mercantile National is a new fifty-million-dollar New York bank, under the presidency of Lewis E. Pierson, head of the Irving Exchange National, the consolidating bank. The bank taken over is the Mercantile National, known formerly as a Gould bank. Business will be conducted at the present banking rooms of the Irving until the new forty-five story building on Broadway is ready for occupancy. The Irving-Mercantile will be the strongest bank in the country devoted exclusively to commercial banking. Officers and directors of the participating banks will be retained.

The new home of the enlarged bank will be in the world-famous Woolworth building, which will be one of the chief points of interest to out-of-town visitors for years to come.

The consolidated bank will have a capital of \$4,000,000, surplus of \$3,000,000, with assets approximately \$50,000,000. Since the first of the year Lewis E. Pierson, president of the Irving National Exchange, and representative of strong interests, has succeeded in merging three trust companies—the Broadway, the Savoy and the Flatbush of Brooklyn—forming one large trust company, known as the Broadway Trust Company. This latter institution will have its home in the Woolworth building, upon completion, along with the Irving-Mercantile National.

Lewis E. Pierson is a young man, as New York banking goes, and is an ex-president of the American Bankers Association. He is a force in its councils and is looked upon as a conservative, and as having had much to do with fixing firmly its sterling policies on business and financial subjects.

James B. Forgan

James B. Forgan, president of the First National Bank, expects to leave Chicago on the 28th of this month for a trip to Europe. He will sail on May 30th. The trip will be in the nature of a vacation, and Mr. Forgan expects to be away for about three months, returning to the city around the first of September. He intends to make a tour of Europe, visiting France and Germany, including Carlsbad and other places of interest.

RALPH C. WILSON FOR SECRETARY

Those who have it in mind to enter Ralph C. Wilson in the race for the secretaryship of the Illinois Bankers Association have been encouraged greatly by the offers of support which are coming from all over the state. Mr. Wilson is a man of attractive personality, a fine public speaker, an experienced banker, and of congenial and tolerant disposition. All of these qualities rarely are combined in one person and almost never to be obtained for positions such as the one referred to. Friends of Frank T. Joyner of East St. Louis are trying to get that gentleman's consent to put him up for the secretaryship. He has an almost universal acquaintance in banking circles, and many think would be an ideal man for the place.

A. E. Fitkin & Co., bankers, have removed their local offices from the Continental Bank Building to the Borland Block.



LEWIS E. PIERSON
NEW YORK

NORTHERN ILLINOIS BANKERS INTERESTED IN ORGANIZATION

Considerable interest is being manifested by bankers of northern Illinois counties with respect to perfecting county organization. It is understood that Lake county bankers shortly will have a meeting for the purpose of organizing.

FORT DEARBORN TRUST APPOINTED RECEIVER

Judge Adelor J. Petit has appointed the Fort Dearborn Trust and Savings Bank receiver for the Great Western Cereal Company. The bond of the receiver has been fixed at \$3,000. The judge acted on the application of Joy Morton, a stockholder in the company.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

OFFICERS

GEORGE M. REYNOLDS
President

JOHN JAY ABBOTT
Vice-President

GEO. B. CALDWELL
Vice-President

CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
Circulars on application

105 South La Salle Street

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TRAVELERS SHOULD CARRY

K. N. & K.

Letters of Credit and Travelers' Checks

Available Everywhere

Your own Banker can supply them

KNAUTH, NACHOD & KÜHNE, Bankers

NEW YORK

LIEPZIG, GERMANY

Fort Dearborn National Bank



UNITED STATES DEPOSITARY

Capital - \$2,000,000

Surplus - 500,000

Deposits - 26,200,000

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARWELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Asst. Cashier CHARLES FERNALD, Asst. Cashier
THOMAS E. NEWCOMER, Asst. Cashier
HARRY LAWTON, Manager Foreign Department

COMPARATIVE SHOWING OF DEPOSITS

February 14, 1908.....\$ 9,887,954.84
February 5, 1909.....11,617,691.24
March 29, 1910.....15,041,357.21
March 7, 1911.....21,574,956.79
June 7, 1911.....23,137,746.88
September 1, 1911.....24,500,075.82
December 5, 1911.....25,445,199.89
February 20, 1912.....26,207,446.32

We particularly desire accounts of country banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you

Drovers Deposit National Bank

OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-eight years rendered Efficient and Quick Service to its Correspondents

Resources, Nine Million Dollars

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JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER
GEO. M. BENEDICT
WM. C. CUMMINGS



Mainly About Banks and Bankers

THERE was quite a telegraphic display of lightning rods down at Briarcliff last week. Some were of the self-erecting kind, but mostly the work was done by friends of those who really are of correct dimensions to fill "the chairs" of the association.

LEDYARD COGSWELL was surrounded by a whole Marconi station erected by his New York and eastern friends, and aided and abetted by his western and southern supporters. Not a word did he say but it was pretty well understood that his name will be entered for the chairmanship of the Big Council at the Detroit meeting.

JOSEPH WAYNE, JR., of Pennsylvania, was being urged, also, by warm and ardent supporters, while older members talked some of R. E. James of the same state. Edward L. Howe of Princeton was in the talk also.

JOSEPH CHAPMAN, JR. (farmer Joe), was billed to appear under the spot-light, "next year or the year after," as one who had repeatedly won his spurs as a true knight of the progressives in the A. B. A. fold.

SOL WEXLER was an interesting and interested participant and promptly set at rest any fears which might have existed that "the race for the chairmanship" at New Orleans had left any sore spots with him.

TO correct an impression wrongfully created by a paragraph in this department (page 31) last week, let it be understood that it was the "official" family, from "11 Pine Street," which was referred to, and not the families respectively of the members of the official household. If kicking will cure, however, "we" are not the only ones entitled to credit.

FOR several years certain banking and financial papers in New York have been "after" the Journal Bulletin, published by the association. Farnsworth is charged with the "crime"—whatever it is. Failing to involve members or officials individually, a round-robin was gotten out, signed by all who could be induced to sign, but leaving out several important publications, and presented to the council.

TO the Chairman and Members of the Executive Council of the American Bankers Association.

Gentlemen: The undersigned, publishers of banking and financial periodicals, are desirous of placing before the Executive Council of the American Bankers Association the subject of the unfair and improper competition created to the detriment of those publications by the present policy of conducting the Journal of the Association. And, inasmuch as the subject has never been brought to the attention of the Executive Council in a body, we would respectfully request that a committee of three or five members of the Council be appointed at this meeting to investigate the subject on a fair and equitable basis.

THE signers are: The Bankers Publishing Company, by J. R. Duffield, secretary; The American Banker, Charles D. Steurer,

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co.

Commercial Paper

Bankers

H. W. LADEWIG, Chicago Manager

111 W. Monroe Street

Chicago

president; The Financial Age, F. Howard Hooke; The Financier, by C. A. Hazen; The Banking Law Journal, A. F. White, editor, and A. D. Macpherson, vice-president Bankers Encyclopedia Company.

THE council did not grant a committee but invited the petitioners to come to Detroit for a hearing before the council. They are to show wherein they are injured by the Bulletin, which bankers generally regard as almost indispensable. No western paper has signed the kick. Only those papers conducting a general printing, law-opinion, or special issue business complain.

MEMBERS of council are wise in their generation, and readily can tell whether or not the good of the association or private interests are at the bottom of the petition. In this office the Journal-Bulletin is in the highest favor.

SELF-INTEREST isn't a good basis of complaint, and the round-robin should be so changed as to make the "subject of inquiry" some modification of the Bulletin policy which would make it a better and more helpful paper rather than to take it out of the field entirely in New York by reducing it to impotence.

MR. AND MRS. F. A. VANDERLIP gave the members of council and of committees a reception at Beechwood, a big thousand-acre estate, formerly the property of W. Seward Webb, a scion of the Vanderbilt family. There was a dinner later at the Sleepy Hollow Golf Club, former residence of the late Elliott M. Sheppard. The W. K. Vanderbilt estate joins that of Mr. Vanderlip. Both entertainments by the Vanderlips were faultlessly carried out and were much enjoyed by those fortunate enough to be present.

C. H. HUTTIG was, after all, the best thing that happened at Briarcliff. He had to be protected from the greetings showered upon him on his entry, and it was arranged for him to appear at the banquet after the other guests had been seated. It was a personal ovation of the rarest kind.

AMONG those who spoke was Mr. Huttig. He said but for three things he never would again have been with the boys. The three were his faithful and tireless nurse (Mrs. Huttig); the skill of the surgeons, and the

prayers and kind wishes of his friends, the bankers. Mrs. H. cried softly at this but the rest stood and cheered the plucky, big-hearted speaker, who had won as hard a fight as ever comes to man.

LATER, Mr. Huttig left for his farm in Iowa, and on the 25th will be given a reception and banquet in St. Louis to show in some measure how he is appreciated in the city he has helped so much. It will be a "Meet Me in Saint Louis, Louie," and no mistake.

COL. F. H. FRIES measured up with the tallest-timber-in-the-woods at the big trust company banquet, and was voted to be a matchless toastmaster and presiding officer. Coming after such a man as Oliver C. Fuller, it was no easy task.

THE trust company banquet is a national affair, and nearly seven hundred tickets were sold. It is a standing reminder of the initiative and efficiency of Secretary Babcock. No banker spoke at the big eat, which some thought a trifle strange. Perhaps the craft will not be barred in future.

PRETTY hard for bankers to be content with rambling, semipolitical talks, when such past-masters of eloquence as Festus J. Wade, to say nothing of the other spell binders, was at hand. It isn't likely that the function permanently will bar banker and financial orators in favor of the quasi-political.

THE sections send up the very best men to represent them on the council. There are Fries, Poillon and Goff in the trust company chairs; Stephenson, Sartori and Aiken for the savings banks; Van Vechten, Ruggles and Ottley from the clearing house section, and good old Doctor Hoopes for the secretaries. Can you beat them?

SOME of the states are particularly blessed in strong men on their delegations. Pennsylvania has Robert E. James, Joseph Wayne, Jr., John G. Reading, and D. McK. Lloyd. California has H. S. Fletcher, James K. Lynch, and W. H. High. Illinois has Nelson H. Greene, Nelson N. Lampert, W. G. Edens and William George, and New York has Ledyard Cogswell, Walter E. Frew, James G. Cannon, and Fred W. Hyde.

KANSAS is strong in W. J. Bailey, P. W. Goebel, and J. W. Berryman. Missouri sends W. C. Harris and C. G. Hutcheson. Nebraska has strong men in Victor B. Caldwell and E. R. Gurney.

WISCONSIN has A. J. Frame and John J. Sherman, and unfortunately both go off this year. Alternation is a better plan and keeps experienced men in action. Illinois will have two vacancies (George and Lampert) to fill with the possibilities of enough new members to get three new men.

A. V. LANE of Texas is another good man, who goes off this year. O. E. Dunlap, "the eloquent," is the other Texan, but he lasts

(Continued on page 30)



COLONIAL TRUST & SAVINGS BANK

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W. F. DOGETT, Assistant Cashier

LONDON CABELL ROSE
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We offer a convenient and efficient service to those desiring a Chicago connection

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

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R. M. McKINNEY, Cashier
JAMES M. HURST, Asst. Cashier
W. H. HURLEY, Asst. Cashier

W. T. FENTON, Vice-President
O. H. SWAN, Asst. Cashier
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A. O. WILCOX, Mgr. Foreign Exchange Dept.

FIRST NATIONAL BANK MINNEAPOLIS

THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-eight years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

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AUGUST BLUM, Vice-President
JOHN F. HAGEY, Assistant Cashier

R. F. NEWHALL, Assistant Cashier
G. H. DUNSCOMB, Assistant Cashier

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President
CHARLES L. HUTCHINSON, Vice-President
D. A. MOULTON, Vice-President
CHAUNCEY J. BLAIR, Vice-President
B. C. SAMMONS, Vice-President

FRANK W. SMITH, Cashier
JOHN C. NEELY, Secretary
J. E. MAASS, Assistant Cashier
JAMES G. WAKEFIELD, Assistant Cashier
LEWIS E. GARY, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

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Clarence Buckingham
Edward A. Shedd
Edward B. Butler

DIRECTORS
Charles H. Hulburd
Edwin G. Foreman
Frederick W. Crosby
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The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

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Give us a trial!—We'll prove what we can do!

**THE LIVE STOCK Exchange National BANK
OF CHICAGO**

How New Alabama Banking Law Works

Supt. A. E. Walker tells of improved conditions and proposes amendments and new sections. He advocates further restrictions on use of words "Bank" and "Banker" and asks for a "Blue Sky Law" after the Kansas pattern

Alabama had been under her new state banking law about thirteen months when the convention of the bankers of the state met at Mobile. Among the addresses scheduled for the occasion none attracted more attention than did that made by A. E. Walker, superintendent of banks for the state. It was at the direct suggestion of the Alabama Bankers Association that the legislature gave to the state a strictly modern banking law with an up-to-date state banking department embracing supervision, examination, receiverships and other modern equipments of a well-defined banking system. Mr. Walker in the earliest paragraphs of his address gave the state association full credit both for preparing and passing the law in the state. He described eloquently the effect that the adoption of the new law had upon banking in the state, and referred to the cheerful and willing manner in which the bankers submitted to the new provisions put in force by the act itself. Mr. Walker was encouraged by leading bankers all over the state to endeavor to enforce strictly, but without harshness, the provisions of the law, which in many cases caused considerable change in the local methods of doing business. Without this support from the bankers the superintendent said that the law would not have been a success. The state banks of Alabama number two hundred and forty-three and the gross assets before the new banking law was adopted were slightly over sixty-two millions. At the close of the first year they were considerably over sixty-four millions, showing quite a gain under supervision and inspection. The increase in surplus and undivided profits was equal to 20 per cent of the increase in deposits. Cash on hand and in banks increased nearly double the increase shown by deposits, arguing greatly in favor of the increased standing of Alabama banks with banks in their localities. Banking capital was increased more than half a million in the same time. While only three national banks were established in the state during the year with a capital of \$75,000, twenty-five new state banks were started and six applications are pending, the new banks to have combined capital of \$438,000, all of which, Mr. Walker argues, proves the popularity of state banking under the new law. Banks all over the state have shown a willingness to abandon old practices and methods which long have been recognized as a menace to their growth and prosperity. Directors are beginning to show far more interest than ever before. Excess loans have been reduced, and loans to officers and directors are much better secured than heretofore. At the present time Superintendent Walker is making a quiet warfare against over-drafts, a method of banking which exists in many of the southern states. Present examiners were highly complimented for their efficiency. The superintendent asked for two more examiners and certain other allowances for his office force. Actual experience has shown that he cannot possibly examine all the banks in the state twice a year with his present force. The banking board of the state is composed of the state bank superintendent and Messrs. F. M. Buck of Mobile and George A. Searcy of Tus-

kaloosa. These three gentlemen constitute the administration of the banking department where matters are left optional by the present law. The feature of Mr. Walker's address which attracted the most attention was that part of it in which he recommended amendments to the present law which has been in force for one year. Among the things which he suggested are:

"Section 6 provides for the assessment on banks to defray the expenses of the department. I think the assessments heavy enough. In some respects, however, it imposes an unequal burden on some of the banks. For instance, some weak banks should be examined, if possible, more than twice each year. There are other banks, perhaps, who refuse to follow certain instructions of the department and who are disregarding some of the requirements of the statute. These banks must be visited oftener and examined more frequently. It is not fair to the other banks to make them contribute to the cost of these additional examinations. I recommend, therefore, that section six be amended, so as to provide, that if, by reason of the condition of a bank, it should become necessary to examine it more than twice in any year, then the bank so examined should pay an additional assessment, equivalent to one-half the amount of their last yearly assessment, for each individual examination over two. In my opinion, this will have a tendency to strengthen weak banks and force others to comply with the law, in order to escape the burden imposed by additional examinations.

"Section 7 provides that every bank shall be visited and examined 'at least twice in each year.' I think this a wise provision and twice a year is seldom enough for examinations, but, as stated, two examiners cannot do this work and, unless more examiners can be provided for, I recommend that section 7 be amended by adding the words 'unless two examinations are impossible on account of the amount of work required.' It is very embarrassing to the department to be confronted with this positive requirement and be unable to meet it. Efficiency in examinations is liable to be sacrificed to the rush and hurry of an endeavor to meet this requirement for two examinations a year.

"Section 9 relates to the impairment of the capital stock of a bank and provides that when the superintendent of banks shall have reason to believe that the capital stock of a bank is reduced by impairment, or otherwise, below the amount required by law, it shall be his duty to require the bank to make good the deficit in 30 days. The words in this section, 'below the amount required by law,' are confusing, and no less an authority than one

of the judges of the supreme court, who is a director in a state bank, gave it as his off-hand opinion, that a bank's capital would have to be impaired below the minimum amount with which a bank could begin business, as provided for in section 18 of the law, before its capital stock would be impaired. In other words, a bank can begin business in Mobile with a paid up capital of \$25,000, this being the minimum amount 'required by law.' Yet, if a bank should organize with a capital of \$1,000,000, its capital would have to be impaired beyond \$975,000 before the superintendent of banks could require the bank to make good the impairment, and then he could only compel the bank to make the impairment good to the extent of the \$25,000. With all due respect to the opinion of this eminent authority, I do not believe that section 9 of this law is susceptible of this construction. I think it was the clear intent of this section to declare that the paid up capital of a bank is a trust fund, for the protection of the depositors and other creditors of the bank, and, for that reason, must at all times be kept intact and unimpaired for that purpose. The rigid requirement of the law for the payment of the actual capital stock in money, before a charter can be granted, bears out this construction of the law, and emphasizes its importance. To my mind, this section is too important for any doubt. I, therefore, recommend the amendment of section 9 by striking out the words 'below the amount required by law,' and make the section to read that when the 'paid up' capital stock, etc., is reduced by impairment, or otherwise, the superintendent shall require the bank to make good the deficit in 30 days.

"Section 10 is at once the most elaborate and far-reaching section of this law. It provides for the seizure and liquidation of banks. It confers on the superintendent of banks very broad powers. The responsibilities of the superintendent of banks under this section are, to my mind, far greater than under all the other sections of the law combined. The limitation placed on the authority of the superintendent of banks in their seizure was most proper, and prohibiting the superintendent of banks from seizing any bank without being requested to do so by the board of directors, or directed by the banking board, was a wise provision. Any enlargement of the powers conferred on the superintendent of banks under this section should be carefully guarded. But I believe there should be an amendment to guard against a possible contingency that might arise and do great damage before this section under its terms could become operative. As stated, the 'superintendent of banks cannot take possession of the property or business of a bank unless requested so to do by the board of directors of the bank, or directed so to do by the banking board.' The section further provides that 3 days notice must be given of the meeting of the banking board to the members thereof, of which meeting of the board the bank shall have notice, and may be heard in person or by an attorney. If, therefore, an examiner finds a bank insolvent, and the officials dishonest and looting the bank

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and the public with no knowledge of these conditions, we can do nothing to prevent it. To give three days notice to the officials of the bank is but an invitation to them to hurry up their work of destruction and complete the wreck and then have time to get away before the banking board can meet. The directors themselves, being perhaps a party to the frauds, may refuse to request the superintendent to take possession of the bank. I believe it to be absolutely essential that a provision be inserted in section 10 of the law, giving the superintendent of banks the authority to immediately take charge of an insolvent bank, temporarily, in order to prevent further loss and injury, pending the action of the banking board, and in the event the board of directors of the bank refuse to act. Another provision of section 10, I think, should be also amended, and that is the provision fixing the salary of the agent of the superintendent of banks for liquidating banks. This provision is as follows: 'and such special agent shall receive a salary not exceeding \$200 a month for the time he is actually engaged in assisting and liquidating the affairs of the bank.' This compensation is sufficient for a majority of the banks in the state that are under state supervision, but there are others, should they fail, it would be impossible to get a competent man to take the position of agent at \$200 a month. Another objection I have to this compensation is that the average agent you employ, in fact all of them, will almost unconsciously take more time to liquidate a bank where a salary is paid than where a commission is paid and, in so doing, are liable to consume a considerable portion of the assets. Collections are very slow in a defunct bank and many complications arise that prolong the time for final settlement. I cannot help but believe, therefore, that a commission, graduated according to the amount of the assets coming into his hands, is the best and most economical basis for the pay of an agent to liquidate a bank. I, therefore, suggest the following additional amendment to this section on this subject: 'Such special agent shall receive a commission on receipts and disbursements as follows: Where the receipts and disbursements, coming into his hands, do not exceed \$25,000, 3 per cent; where they exceed \$25,000, but do not exceed \$50,000, 2½ per cent; where they exceed \$50,000, but do not exceed \$100,000, 2 per cent; where they exceed \$100,000 but do not exceed \$200,000, 1½ per cent; and where they exceed \$200,000, 1 per cent.'

"Section 12 provides that 'the information which shall be obtained by the superintendent of banks, or any bank examiner in making an

examination into the affairs of any bank, shall be for the purpose of ascertaining the true condition of the affairs of said bank, and shall not be disclosed by the party making the examination to any person, except that the examiner shall make report of the condition of the affairs of the bank ascertained from the examination, to the superintendent of banks, and except that the superintendent may make publication or take action as a result of said report as herein provided.' In the same connection section 36 says that 'Any bank examiner, office assistant or superintendent of banks who shall knowingly and willfully disclose the condition and affairs of any bank ascertained by an examination, or who shall knowingly and willfully, except to the extent as authorized by law, report or give information as to who are depositors or debtors of a bank where such information is obtained by an examination of such bank, shall be guilty of a misdemeanor and, upon conviction, must be fined not less than one hundred nor more than one thousand dollars.' I believe that these sections of the law are unwise and, to say the least of it, should be modified to the extent I shall further on suggest. We are living today in the most progressive age since the dawn of civilization. The progressive idea is dominant in every phase of our existence. Progressive thought, progressive parties, pro-

gressive religion, progressive business, are the mainsprings of our daily lives. Linked with this progress, that is sweeping our great nation to unparalleled heights of greatness, is the demand of an ever watchful public to know and to understand the actual conditions underlying all forms of public or 'quasi' public institutions. To my mind, therefore, the most important move before the people to-day is that which is seeking to make all the great factors in the lives and welfare of our people a matter of common interest. What we need to do and what, indeed, we will eventually have to do, is to take the public into our confidence, not only in matters pertaining to their government, not only in matters pertaining to the great public concerns that have a bearing so directly on the public welfare, but also to those lesser institutions—such as banks who, although not in any sense public corporations, are of such a public character and public importance as to require public supervision—state or national. I mean that the time is not far distant, when you will see that the affairs and dealings of a bank will become so far matters of public concern that the public will be entitled to know more of them, and to judge for themselves of their real significance. The public, as a rule, know but little, if anything, of the meaning of any bank statement now published. What can we expect the laymen to know about bank statements and published figures? Nothing. In my opinion, it is an unjust imposition upon the public, who are dealing with you in confidence, to keep them in ignorance of the actual true condition of your bank. And, to this end, to enact a law which prohibits a public official from giving out any information gained by him in the performance of his public duties. I believe that my office should be a public bureau of information for all interested persons. And, instead of being prohibited, as I am, from giving out any information, I ought to be required to do it. As it now is, I cannot even give to a stockholder in a bank any information as to the real condition of his own bank without violating a penal provision of the law. When a bank is found weak and unsound, I must either sit idly by and hide the secret, while the officers employ every form of known deceit to keep the public and their trusting friends in utter ignorance, or I must pounce upon the bank and close its doors. But you say publicity will only hasten the failure. I do not believe it. If the public could know of the actual condition of a bank day by day, month by month and year by year, they would not become so easily frightened by rumors and so unreasonably suspicious of those things which really are

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harmless and which have so often led to the unnecessary failure of banks which were in fact perfectly solvent. But aside from all this, in my opinion, the public is entitled to know the condition of a financial institution to whom they are trusting their money for safe keeping. If it is not safe, all the more reason for telling them so. If it leads to failures and liquidations, why not? You let it be well understood that every party who deals with a bank, or the public who are invited to deal with them, have the right at any time to demand, from those who are charged with the duty of finding out, information, showing just how a particular bank stands, what is its actual condition, stripped of all verbiage and technical statements, and you will soon see nothing but sound banks. The public will patronize none other and, in fact, they should no. Suppose any of you, my friends, want to purchase the stock in a bank. Can you always afford to purchase it on the strength of a published statement, even though it is sworn to? Then, if you cannot afford to do it, how is one who knows nothing about statements to purchase bank stock with safety? Ought not the superintendent of banks be allowed to show him the examiner's report and give him his opinion, as to the actual value of the stock, without being subject to fine and imprisonment for same? A depositor with his all in the vaults of your bank, ought he not to be informed from time to time of your solvency, if he desires to know? This can easily be done and not give your rival the benefit of this information, if proper discretion is used. This may be called by some of you a dangerous innovation of long established methods in banking and I will perhaps be laughed at for advocating this heresy. But, if my ideas are correct, as they will be found some day to be, in my opinion, a more effective way will have been found to prevent bank failures than the Chinese method of chopping off heads. You have often heard it said, perhaps, that the public are too suspicious of banks; that they do not have the proper confidence in bankers as a class. If this is true, and I fear that it is to some extent, it is largely due to the fact that the public are not in your confidence, that you are excluding them from a knowledge of conditions you should acquaint them with. In other words, you are not willing for the public, that is, those who are your customers, to apply the same standard of measurement, the same

yardstick, when dealing with you that you apply to them. For instance, if you make a loan, it is certain that you know enough about the party to assure you, reasonably, that he is solvent and is honest and will pay his debts. If he is not, you refuse the loan, or exact security. This is sound business principles and none other is sound. But a depositor, who lends you money, must lend it on faith and take your word for it. He gets no security, and, if he seeks information from the public official, charged with the duty of finding out those things, he is met with the statement that the condition of your bank is a secret and it is made a misdemeanor under the banking law for the public official to tell anything he knows about you. Is it any wonder, my friends, that the public grow suspicious of this kind of treatment, and wonder at the meaning of these laws? In the commercial world to-day, the most important feature of its life is the credit feature. The credit man is the backbone of every business house. His information as to the customers of a house is gained from many sources and must of necessity be accurate. But if you were to ask him, or ask, in fact any of the great commercial agencies of this country, what they know of a certain bank, they will hand you a copy of their last published statement. In advocating this change in your law, Mr. President, I hope very much my purpose will not be misunderstood. I have not intended to criticize you,

nor yet to take you to task. I will freely admit that there are some excellent reasons why this section of the law should not be amended, the principal reason being that it puts banks too much in the power of the superintendent of banks. An examination of a synopsis of the banking laws of the various states discloses the fact that almost all of them have similar provisions to those contained in your law on this subject. In fact, in many states the penalties are much more severe for violations of this provision. In Idaho and Oregon, giving information as to a bank's condition is punishable by a large fine, imprisonment in jail, and removal from office. My friends, you have no doubt often heard the expression, 'A dead fish can float down stream, but it takes a live one to swim up stream.' It is a far easier task to deal with the matters pertaining to this office along lines where there is no resistance. A few spoken platitudes, and a lot of bombastic nothings, and my remarks might have been acclaimed by some as a great paper. But unfortunately, for myself, I am not built along lines where there is no resistance. In the solemn and conscientious discharge of my duty in the administration of this great law, I dare not fail to advocate those measures that I believe to be for the best interest of those whose servant I am. I would rather leave this office to-day with the conviction that I had so far administered these laws without fear or favor than to retain it forever simply by drifting with the tide. As I have already said, in my opinion, Alabama to-day has the best banking law in the United States and I repeat, the bankers of this state have already shown the best loyalty they could have shown by obeying these laws in the very letter. But can you blame me, my friends, for having an ambition to see Alabama take the lead in reforms in all banking practices and procedure. In amending your law, so as to show the world and the public that you are not afraid for any man to know your actual condition, you will have struck a keynote that will awaken the banking world. Therefore, bankers of Alabama, let us be leaders, not merely imitators. I, therefore, confidently suggest the following amendments to section 12 of your law: 'Provided, however, that the superintendent of banks may, in his discretion, exhibit the report of the examination of any bank, and may also reveal the true condition of any bank to a depositor, officer, director or stockholder therein, or to any

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other person who, in good faith, seeks information for the purpose of becoming a bona fide purchaser of the stock in, or assets of said bank.' Also amend Section 36 of the act by striking out the words 'or superintendent of banks.'

"Section 18 relates to the amount of capital to be paid in, before a bank can begin business, according to population and is graduated from \$25,000 in cities of 2,500 or more inhabitants to \$10,000 in cities of less than 1,000 inhabitants. I do not think a bank should be permitted, with as small a capital as \$10,000, and recommend that the clause permitting this amount of capital be stricken out of Section 18, having \$15,000 as the smallest amount of capital allowed.

"Section 20 relates to loans to salaried officers and provides that they must be approved by directors, or loan committee, and shall not be made without good security. I find that most states limit the amount that a salaried officer can borrow from his bank, and I believe it to be a good provision. Therefore, I suggest that the following be added to Section 20: 'And in no event shall any salaried officer, agent, or employee of a bank be permitted to borrow more than 30 per cent of the capital, surplus and undivided profits of said bank.'

"Section 21 is the excess loan provision, and provides that not more than 10 per cent of the capital, surplus and undivided profits of a bank, which shall include firm loans, and to the members thereof, without approval of a majority of board of directors or loan committee, and unless amply secured. By reason of these exceptions to excess loans; viz., approval of directors and ample security, this section is practically of no value. Excess loans are largely to directors and their favorites and the word 'amply secured' is an expression permitting great latitude to the directors, who pass on the nature of the security. I think, therefore, an additional clause to this section, like the following, would greatly decrease the danger arising from so many excess loans: 'If any of the directors,

or loan committee, of a bank, if a corporation, or the officers, if not a corporation, shall knowingly approve any excess loan, within the meaning of this section, without the same being amply secured, he shall be liable in his personal and individual capacity for all damages, which the bank, its stockholders or depositors, or any other person, shall sustain in consequence thereof.'

To Forbid Use of Words Bank or Banker

"In addition to the above, I recommend the following new sections to the bill: Section 28½. No person or persons, firm or corporations shall use either, or any, of the terms 'bank,' 'banker,' 'bankers,' 'banking house' or 'trust company' unless he, they, or it, shall have first fully complied with all the provisions of this Act. Any person, firm or corporation, violating any of the provisions of this section, after thirty days' notice given by the superintendent of banks, shall be deemed guilty of a misdemeanor, and upon conviction thereof, shall be punished by a fine of not less than twenty dollars and not more than one hundred dollars, for each day, during which such violation shall continue after the expiration of said period of thirty days. The use of the words above indicated are misleading to the public and should not be permitted, except to a 'bona fide' bank or trust company, properly supervised.

"Section 29½. 'When a deposit has been made or shall hereafter be made in a bank in the name of two persons, payable to either, or payable to either or the survivor, such deposit, or any part thereof, or interest or dividends thereon, may be paid to either of the said persons whether the other be living or

not, and the receipt or acquittance of the person so paid shall be valid, and sufficient release and discharge to the bank for any payment so made.' This amendment is aimed to cure a defect in the law, which indefinitely ties up in banks a joint deposit, when one of the parties interested dies. It is obvious that this will be a most wholesome benefit to depositors.

"Section 21½. 'The directors of a bank are required to examine a bank twice each year, and shall report to the superintendent of banks in writing the result of their examination. Should the directors fail or refuse to make said examinations, it shall be the duty of the superintendent of banks to require said directors to examine the bank within ten days after being notified so to do. The refusal of the directors to comply with this requirement of the superintendent of banks shall be a sufficient grounds for summoning the bank before the banking board to show cause why it should not be liquidated.' The sole purpose in this amendment is to compel the directors in a bank to become familiar with its affairs and to assist the banking department in holding a check on the officers and employees of a bank. The lack of interest in the bank by the directors has been the cause of many bank failures.

"Section 30½. 'It shall be unlawful for any bank to permit overdrafts exceeding 10 per cent of their capital, surplus and undivided profits, and all overdrafts permitted to remain on the books of a bank for more than sixty days shall be charged off and not claimed as an asset of said bank.' I realize that it is next to impossible to occasionally prevent some overdrafts, but they can be limited in amount, and the time they shall exist. This is the double purpose of this amendment.

"Section 23½. 'No dividend shall hereafter be declared by any bank until after 10 per cent of the profits, arising from said bank each year, shall have been placed to the surplus or undivided profits of said bank. Provided, however, that after said surplus and undivided profits shall have reached 20 per

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cent of the capital of said bank. Then said bank shall not be required to place any of the profits thereof to its surplus or undivided profits account.' This amendment has been suggested by the fact that there are not a few banks in the state, who persist in paying out all their earnings each year, as dividends, or after accumulating a surplus, increase their capital stock and use their surplus to pay for the new stock. With the requirement for an unimpaired capital, a surplus is almost a necessity, as every bank suffers an occasional loss and, however small, unless there is a profit to charge it against, the stockholders must make the loss good. This leads to distrust and dissatisfaction.

"Section 33½. 'The bills payable and rediscounts of banks, within the meaning of this act, shall not be permitted to exceed, at any one time, the amount of the capital, surplus and undivided profits thereof.' There is no limit in the law now on the bills payable and rediscounts a bank may have. I cannot help but believe a limit should be placed on the amount a bank can borrow. Certainly this limit is sufficiently liberal.

"Section 34½. 'The superintendent of banks is authorized to require all officers of a bank to give good and sufficient bonds for the faithful discharge of their duties.' A number of state banks do not require their officers to be bonded. It unquestionably should be done. It not only safeguards the bank, but it checks oftentimes the temptations that come to officers and employees in a bank, because of the additional chance for prosecution in the event of defalcation.

"Section 36½. 'Any person making a false statement to any officer, agent, director or employee of a bank, for the purpose of procuring a loan from said bank, shall be guilty of a misdemeanor, and on conviction shall be fined therefor not less than \$100.00, nor more than \$5,000.00 and, in the discretion of the judge, may be sentenced to hard labor for the county, as an additional punishment, for not more than six months.' This strikes at the fraudu-

lent borrower, and is intended to protect banks more effectually from fraudulent representation from this class of borrowers. Our criminal statutes on this subject are somewhat involved, and this greatly simplifies the conviction of dishonest borrowers.

The Law Good As It Is

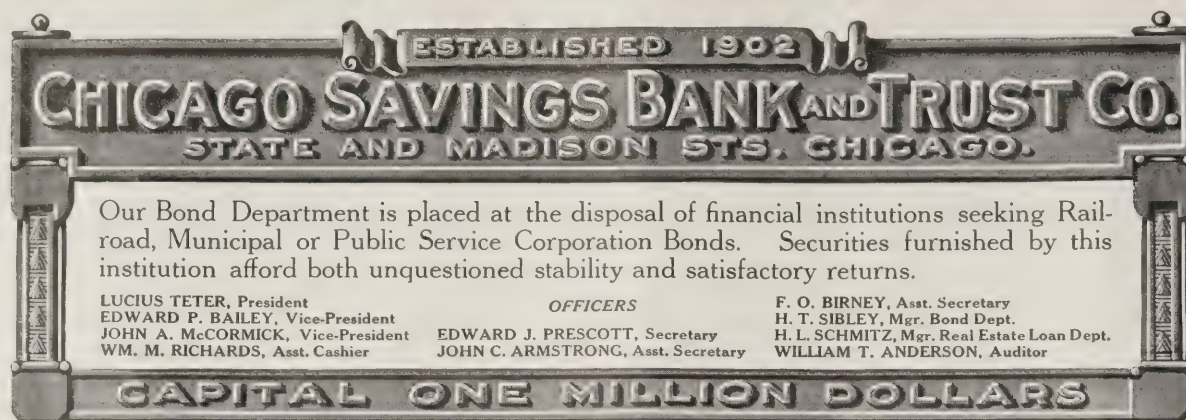
"I fear it may be presumed by some that, from the number of amendments suggested, I am of the opinion that your laws are defective. On the contrary, I believe they are the very best laws in the United States governing banks and, in my opinion, if no single amendment was adopted, as proposed, your laws would still be the best, as a whole, now in operation. These amendments are intended to increase their efficiency. I suggest that they be referred to your committee on laws, or other proper committee, for careful consideration, or discussed at this meeting, as you see fit. You must realize that in presenting some of these amendments, I have had a delicate task to perform. I am exceedingly anxious to avoid any unnecessary discussion of any of these amendments from any of this association who may oppose them. I have suggested them for what they are worth, in response to a general demand, from some of the leading members of this association, for my views on these subjects.

Law Enforcement

"You will perhaps notice that I have suggested but few amendments to the penal provisions of your law. These provisions are very broad and very general in terms. They are framed with a view of punishing severely all dishonest practices in connection with banks and banking. The vital question is, 'can' and 'will' these laws be enforced? Are the courts, the judges and the juries sufficiently imbued with the grave importance of these laws, intended for the protection of the patrons of banks, to see to it, that the violators of these laws, are punished therefor? The way in which the courts and juries of Ala-

bama answer this question is, in the ultimate, the real life or death of this law. Let it be once understood in Alabama that all violators of these laws will be punished as provided for therein, and you will gain a measure of public confidence that means everything to banks. But, on the contrary, let the public get the impression that Alabama juries and courts will not convict for the infraction of these laws, then you cannot hope to retain the confidence of the public. So well is it understood now that the United States will convict bank wreckers and dishonest bank employees, that every depositor in a national bank feels that his money is safe from them and, if not safe, he will at least have the consolation of knowing that the man who took it has to pay the penalty. It is a tremendous advantage, in this respect, that the national banks of Alabama have over the state banks. It is an advantage they are not entitled to, and should not have. The lax enforcement of our criminal laws and the inadequate protection afforded us by reason thereof are, to my mind, two of the greatest dangers we are to-day facing in our state. To cite an illustration, a bookkeeper in a bank in Alabama was discovered by your examiners short in his accounts about ten thousand dollars. The shortage was unquestioned. Neither the president nor the cashier of the bank wanted the bookkeeper prosecuted and refused to swear out a warrant for his arrest. The solicitor of the circuit was a brother of the bank's cashier. The judge of the court was a director in the bank. The cashier, his brother, the solicitor, another brother, and the president of the bank made good the bookkeeper's shortage. My examiners swore out a warrant against the bookkeeper, and he was put under a \$1,000 bond only. The grand jury of the county met. An uncle of the bank cashier and of the solicitor was foreman of the grand jury. At the regular term of the circuit court in the county, my examiners went before the grand jury. They testified, I suppose, to the facts. The

(Continued on page 29)



ESTABLISHED 1902

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CAPITAL ONE MILLION DOLLARS

ILLINOIS BANKING NEWS

By C. C. Burford

George Woodruff, president of the First National of Joliet, believes that business conditions will be "rejuvenated" after our political and economic difficulties have been corrected and another bumper crop has been raised. He says:

"In regard to conditions in our country, I beg to say that we are doing a good normal business in Joliet in practically all lines, but this business is being conducted on a small margin of profit and net profits are not what they should be. This condition seems to exist in practically all of the industrial centers of the country and locally there is not any very strong indication of any change in the near future.

"People are buying from hand to mouth, and are not stocking up to any extent, and as long as conditions in America remain in the present unsettled state, our people will doubtless continue their present policy. If we could arrive at anything which looked like a definite settlement of our political and economic difficulties, then the business people here in Joliet would immediately feel that confidence in the future which would prompt them to stock up, and as the business people throughout the country would doubtless feel much the same as the business people here in our town, the results would be a very great improvement in the prosperity of the country.

"In view of the somewhat depressed condition of business in general, the crop situation this year will be of the utmost importance, and in this connection the outlook in Will county is only fair. Practically all of the winter wheat was lost, and the season for other grains is rather backward. Nevertheless the ground is in good condition, and with good weather from now on, Will county should produce a fair average crop. It is of course too early to make any definite estimates, but the success or failure of the crops will mean a great deal to the country this year, and we will accordingly expect to watch agricultural conditions in our community with more than usual interest."

Quincy Bank Increases Capital

The State Savings, Loan and Trust Company has increased its capital stock from \$500,000 to \$1,000,000, and the allotment of the new shares of stock is now taking place.

S. B. Montgomery, chairman of the executive council of the Illinois Bankers Association, is president of this bank, over which the late E. J. Parker, well-known to Illinois financial men, presided so many years.

New National for Cobden

Cobden, in Union county near Cairo, is to have a new national bank soon, application having been made to the comptroller of the currency for a permit by A. C. Parmly, W. P. Mesler, Fred Fowley, N. Green, and R. A. Vanbuskirk.

Customers See Bandit Work

While the Farmers Exchange Bank of Broughton, twelve miles south of McLeansboro, was transacting business with a number of customers, a lone bandit entered the bank, fired one shot at the cashier, John Irvin, and compelled him to hand over \$2,000 in currency. The village marshal fired two shots at the bandit, but he crossed a swamp and escaped. Bloodhounds were immediately put upon his trail.

Late Spring Causes Uneasiness

The late spring with its long continued rains and cold weather has caused no little uneasiness among farmers and bankers. The sowing of the oats crop was delayed for some weeks after its usual time by the continued snow and ice, and now the planting of the great staple crop, the corn crop, is also being delayed. Spring plowing is late, while fall plowing is in many cases reported so packed

down that it will not readily respond to treatment as it usually does. While Illinois, and especially the great central part of the state, is well tilled, yet ponds of water are seen scattered over the fields, and the cultivation of such ground is idle.

The rains have caused abundant pastures, however, and oats straw should be plentiful, which makes cheaper feed for live stock. Gardens and small fruits will be good, but the former especially needs warmer weather.

The late condition of the corn cultivation means that farmers will be conservative in their buying, and that merchants in trading centers will need small stocks for a few weeks yet. However, many farmers report that corn planted in late May and early June is sometimes the best, but a late fall with delayed frosts must follow a late planting. Seldom, if ever, has the country needed an abundant crop more than this in this more or less critical year of 1912. With food products soaring in price, and with the cost of living becoming an almost national issue, it seems that with a partial failure of the crops this year some grave questions will arise. The political questions are also causing some conservatism, and all in all the summer of 1912 will be a fairly quiet one. Business is on a good foundation, however, the farmers and townspeople of Illinois are in a good condition to wait, and with a bumper crop this year, economic conditions

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will go forward with a bound. As President Woodruff of the First of Joliet says above, there has seldom been a year when so much will depend upon abundant crops as this year. The eyes of America will be upon the fields.

As another result of the wet spring, the farmers and villagers have found automobiles almost useless this year in communities where there are no paved streets or hard roads. However, there has been an unprecedented number of cars sold this spring, many dealers being unable to supply the demand. With dryer weather the farmer will joy-ride on Sunday in his automobile, and on week days on his corn-planter. There will be music in the sound of both this year.

State Banks Increase Deposits

A statement of the resources and liabilities of the 576 state banks in Illinois, as compiled by the state auditor of public accounts, shows a large increase in total deposits, as compared with deposits on February 21, 1912, the date of the last statement. Total deposits April 19th were \$682,628,250.70, an increase of \$11,364,085.64.

Total cash and due from banks was \$184,532,672.99, a decrease of \$9,865,057.80. The per cent of reserve to deposits, including amounts due banks, is 27.03.

The total capital, surplus, contingent fund and undivided profits on April 19th were \$119,338,968.93, an increase of \$1,517,315.09.

The statement of resources shows a decrease of \$61,165.74 in overdrafts and a decrease of \$228,128.55 in holdings of United States bonds.

A large increase in the amount of paper money deposited in the state banks, and a corresponding decrease in deposits of silver and gold, is an interesting feature of the statement. On February 21st, deposits of gold coin totaled \$6,108,605, and on April 19th there was but \$5,064,160 in gold coin on deposit, a decrease of \$1,044,445. Total deposits of silver coin on February 21st were \$1,240,548.20, and on April 19th, \$1,159,015.65, a decrease of \$81,535.55.

A large decrease in the amount of time cer-

tificates is shown. On February 21st the amount of time certificates was \$73,466,719.72, and on April 19th the amount of this form of liabilities was \$68,055,270.16.

Seven new banks have been licensed since February 21st.

C. J. Peeples

C. J. Peeples, formerly national bank examiner, and for several years vice-president of the American National at St. Paul, has been elected vice-president of the Citizens Trust and Savings, Garfield Boulevard and State Street, Chicago. The other officers of this institution are: Oliver F. Smith, president; Frank Nahser, vice-president; A. H. Luken, cashier. This is a state institution with a capital of \$50,000, surplus \$12,000, and deposits of over \$400,000.

C. P. Coolidge is now president, R. S. Armstrong vice-president and W. L. Norton cashier, of the Winnebago State Bank, Illinois.

W. G. EDENS ON BRIARCLIFF MEETING

W. G. Edens, member of the executive council of the A. B. A. from Illinois, had the following to say in regard to the sessions held at Briarcliff Lodge last week:

"The meetings of the executive council held at Briarcliff impressed me as being of great importance. The inclement weather kept us all together and made it possible to become better acquainted. I think the matters which came before the council were more thoroughly discussed than possible heretofore, owing to the fact that we felt acquainted and felt inclined to take part in the proceedings. The fairness with which Chairman Reynolds presided and the opportunity given each member of the council to be heard in all matters were pleasing to all and must necessarily dissipate the suggestion that council meetings are star chamber sessions and that gag rule generally prevails. The action of the council in abandoning the council dinner at the places of meeting of the big convention will have a tendency to make the next meeting at Detroit more democratic and popular with the entire membership that attends."

LIVELY CONTEST BETWEEN BANKER CANDIDATES

The contest for treasurer of the Hamilton Club between L. H. Grimme, cashier of the National City Bank, and W. F. Van Buskirk, vice-president of the Standard Trust and Savings, is waxing warm. Mr. Grimme represents the Reds and Mr. Van Buskirk the Whites. The election will be held on May 20th.

MONEY SITUATION

There is nothing very new in the money situation. Deposits are steady and money fairly easy. Good paper can be bought at 4 per cent, while sales of high grade names may be made at a somewhat lower figure. Paper is being bought freely in the larger cities, and there are some country orders. Reports of general conditions in the country are satisfactory and hopeful.

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MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

The event of principal interest among Wisconsin bankers this week was the convention of Group 7, Wisconsin Bankers Association, in La Crosse on Thursday. The new income tax law and the proposed plan for mutual insurance of bank deposits were the chief topics under discussion. The meeting ended with a banquet at the LaCrosse Club at which A. W. Barney, vice-president of the Bank of Sparta and president of the group, presided as toastmaster. Arrangements for the meeting were in charge of E. J. Wiles, cashier of the State Bank of Bangor and secretary-treasurer of the group.

Milwaukee bankers attending the group meeting were: William P. Post and Godfrey W. Augustyn, National Exchange; E. H. Williams, Marine National; E. A. Reddeman, Germania National; Edgar J. Hughes, First National; F. X. Bodden, Marshall & Ilsley; A. C. Elser and W. L. Cheney, Second Ward Savings; Walter Kasten, Wisconsin National; E. C. Knoernschild, Merchants and Manufacturers; Mortimer I. Stevens, editor Wisconsin Banker, and George D. Bartlett, secretary of the state association.

Arrest Three Bank Robbers

With the arrest of three men giving the names of James Woods, Charles Mason, and William Collier, private detectives in the employ of the Wisconsin Bankers Association believe they have landed three notorious members of a gang of bank robbers which detec-

tives in all parts of the country have been seeking for years. The three men were arrested in Washington county this week and brought to Milwaukee by Sheriff Fred G. Schloemer of that county to be lodged for safekeeping in the county jail, pending trial. According to the police and sheriff's forces in Milwaukee the men have long records behind them. Woods is said to be the notorious "Daddy Flynn," and Mason "Toronto Jim," whose operations on country banks throughout the Middle West date back to twenty years ago, and who have both served penitentiary terms. Sheriff Schloemer of Washington county says that with the aid of the police of several Wisconsin cities he hopes soon to arrest the remaining members of the suspected gang.

Second Ward Savings

The Second Ward Savings Bank issues a statement this week that its deposits have reached the \$7,000,000 mark, comprising one-fifth of the total savings in all Wisconsin state banks at the present time.

Oliver C. Fuller Back from Briarcliff

O. C. Fuller returned on Monday from the meeting of the executive council of the American Bankers Association, at which he was elected chairman of a committee to draw up a model plan of organization for trust companies, to be considered at the national convention in Detroit. Mr. Fuller's various civic ac-

tivities promise to keep him very busy for some time. Upon his return to Milwaukee he was greeted with the notification of his appointment as chairman of the finance committee of the Auditorium Governing Board of which he is an active member, and two days later was called upon in his capacity of chairman of the entertainment committee of the Merchants and Manufacturers Association to appoint subcommittees to take charge of the arrangements for the entertainment of the members of the International Congress of Navigation who will visit Milwaukee on June 14th at the invitation of the association. Assisting Mr. Fuller in the financial arrangements for the entertainment are J. W. P. Lombard, of the National Exchange; L. J. Petit, of the Wisconsin National; Fred Vogel, of the First National; George W. Strohmeyer, of the Milwaukee National, and Willis L. Cheney, of the Wisconsin National, all active members of the Merchants and Manufacturers Association.

Wisconsin State Has Successful First Day

First day deposits received by the Wisconsin State Bank, which was formally opened last week, were more than \$100,000, according to officers of the institution. This figure sets a new record in Milwaukee banking circles.

James K. Ilsley Honored

James K. Ilsley, president of the Marshall & Ilsley Bank, has been elected president of the Milwaukee Abstract and Title Company



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to succeed William B. Weller, who resigned to accept a position with the Citizens Savings and Trust Company. William Bigelow, vice-president of the First National and a director of the company, was elected to succeed Mr. Ilsley as vice-president of the company. Johnson Ogden, secretary, was chosen to succeed Mr. Weller as manager.

Milwaukee Notes

George C. Markham, president of the Northwestern Mutual Life Insurance Company, has returned from a month's visit in California and Washington. Mr. Markham characterizes the automobile accident which befell him near Spokane as "nothing but a little shake up."

Postal savings deposits in Milwaukee now amount to more than \$150,000, according to Postmaster David C. Owen. In an effort to raise Milwaukee's average of \$93.30 per depositor, which is said to be the lowest of any of the large cities, Mr. Owen has written to Washington authorities asking the authorization of three more branch depositories, which will bring the total number of branches in Milwaukee up to seven.

"The showing of \$93.30 per depositor is not a reflection on Milwaukee," said the postmaster on Wednesday, "for the reason that the other cities all had postal savings banks prior to the establishment of one here."

State Banks Show Increased Resources

An increase of \$4,000,000 in the resources of state banks in one month is shown in an abstract report of State Bank Commissioner A. O. Kuolt on the call statements of business at the close of business on April 18th. There are now 584 state banks, a gain of two in the last month, with total resources amounting to nearly \$200,000,000.

State News of Interest

Bankers and business men of Kenosha have organized a commercial club with a membership of 160, articles or incorporation for which were issued this week.

M. S. Harmon, cashier of the Lumbermens National of Menominee, Mich., died at Kenilworth, Ill., on May 10th. He was one of the founders of the bank of which he was an officer and a stockholder in several manufacturing enterprises.

The National Bank of the Republic, Chicago, has been approved as the reserve agent for the First National of Racine.

MAKING GOOD IN OKLAHOMA CITY

Among the growing banks of Oklahoma City always must be mentioned the City State Bank of which Walter D. Caldwell is president and Colin S. Campbell is cashier. Mr. Campbell was connected for a number of years with the Fort Dearborn National Bank of Chicago, and before that was prominent among the junior bankers of Denver. At present he is acting as president of the Oklahoma City Chamber of Commerce, of the Credit Mens Association and of the Manufacturers Association. He



COLIN S. CAMPBELL
Cashier City State Bank, Oklahoma City, Oklahoma

has been president of the Rotary Club of this city and was chairman of the Oklahoma City bankers committee which had charge of the entertainment of visiting delegates at the last convention held there. His undoubted popularity is adding materially to the progress of the bank, which is controlled chiefly by himself and Mr. Caldwell. All of his friends in the Middle West will be pleased to know that he is making good in his adopted city. Oklahoma City is going to the front in both a business and financial way and many think it is destined to become the metropolis of the Southwest.

P. C. Kauffman

Secretary P. C. Kauffman, of the Washington Bankers, en route from Briarcliff to Tacoma, stopped off in Chicago on Friday to see what the Cubs would do to the Phillies. Being a Pennsylvanian, Kauffman was a rooter for the eastern team.

VISITING BANKERS

S. W. Reyburn, president of the Union Trust Company, Little Rock, Ark., and a member of the executive council of the American Bankers Association, stopped off in Chicago on Wednesday on his way home from the East. Mr. Reyburn was greatly pleased with the work of the council at Briarcliff and believes that it will have a good effect on the welfare of the organization. Charles S. Davis, in the financial and real estate investment business at Denver, stopped in Chicago this week en route to Indianapolis. Mr. Davis recently has been designated as the assistant to President Union B. Hunt of the insurance department of the Knights of Pythias. The insurance department carries a substantial line of municipal bonds, and the experience which Mr. Davis has had makes him a valuable member of their finance committee. Col. George H. Russell, former president of the American Bankers Association, and president of the Peoples State Bank at Detroit, was a caller in the financial district during the past week. He was looking hale and hearty. The Colonel says that Detroit will take good care of all the delegates to the A. B. A. convention to be held in his city in September. He promises to furnish the best brand of September weather. James K. Lynch, vice-president of the First National Bank of San Francisco, and who attended the sessions at Briarcliff, arrived in Chicago on Monday morning on the Pennsylvania Special, and left for home in the evening on the Overland Limited. George W. Boyden, vice-president of the Farmers State Bank at Sheffield, Ill., visited Chicago on Monday.

J. W. Heffernan, cashier of the Hibernia Bank of Savannah, Ga., and a member of the executive council of the A. B. A., has sent out a good statement under the last call showing deposits in excess of a half million. This bank commenced business only in 1906.



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St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, May 15.—The past week has developed absolutely nothing new in the local monetary situation. Practically all bankers here agree that the demand for credits, both from city and country, is apathetic. As one cashier expressed it, the farmers have been too busy bailing out water and keeping warm to need money for agriculture. On the whole, however, the outlook is good, and a little seasonable weather will doubtless do wonders to revive things in all lines. Wholesalers report their business light, relatively, but still about up to expectations, and certain lines, such as hardware, are quite active. Deposits are picking up with several of the larger banks. Building activities, which a few weeks ago promised to be a redeeming feature in the situation, have been put back by labor troubles. Work on numerous large structures has been stopped owing to factional disputes among the unions. It is not war between capital and labor, but labor and more labor. Collections are holding their own, and clearings are running well over those of the corresponding period a year ago.

Huttig Eack Home

The most notable bit of news in financial circles in St. Louis this week was the return home of Charles H. Huttig, president of the Third National, after an absence of many months. Mr. Huttig came with his family from New York, stopping en route at Muscatine, Iowa, his former home. As yet he has not resumed his duties at the Third National, but his health is completely restored, and he is anxious to get back to his desk, and it is only the solicitations of other officials and his friends generally that have induced him to hold off for a few days longer.

Dick Hawes for Treasurer

The St. Louis delegation to the Missouri Bankers convention at Joplin next week will, to a man, support Richard S. Hawes for treasurer of the association. Besides the local delegates, Mr. Hawes has a numerous following from all parts of the state, and his election will doubtless be unanimous. According to the regular routine and custom, this means that Mr. Hawes will be president of the association in 1914. He is the youngest man to be elected treasurer, and this, with the unanimity of his choice, is considered an exceptional honor. The St. Louis delegation will travel to Joplin in a body, arrangements having been made for a private car.

Real Picnic for Bankers

Plans have been about completed for the informal gathering of bankers to be held here on May 25th. Something over 250 acceptances have been received, including many

financiers of national and international reputation. The St. Louis Bankers Club, which is giving the entertainment, proposes to have something new. All discussion of business for the day is tabooed. Guests are to be taken out to the Log Cabin Country Club, where there is to be an old-fashioned basket picnic and barbecue. Such diversions as hunting, fishing, trap shooting, golf, tennis, polo and rambles in sylvan glades will give place to the usual features which mark assemblies of bankers. Every acceptance implies the pledge not to mention business. In addition to bankers from the large cities, representatives have been invited from towns of more than 10,000 population in fifteen states. Arrangements have been made to meet the visitors at Union Station, and escort them to a down-town hotel for breakfast. After that motors will whisk them through the residence and park sections of the city out to the Log Cabin Club. The festivities will last far into the night, and the main feature will be the barbecue, performed by an Indian chief.

Those Who Are Coming

Among the bankers expected are: From New York: F. W. Allen, Mechanics and Metals National; J. S. Alexander, National Bank of Commerce; A. B. Hepburn, Chase National; J. B. Martindale, Chemical National; C. D. Norton, First National; D. E. Pomeroy, Bankers Trust; Charles H. Sabin, Guaranty Trust; Joseph T. Talbert, National City Bank; G. G. Thorne, National Park Bank; Clarence Williams, Windsor Trust; William Woodward, Hanover National. From Philadelphia: Albert A. Jackson, Girard Trust; William A. Law, First National; R. J. McAlester, Franklin National; L. L. Rue, Philadelphia National; B. F. Shanbacher, Fourth Street National. From Boston: William A. Gaston, National Shawmut Bank; George S. Mumford, Commonwealth Trust; Philip Stockton, Old Colony Trust; Eugene V. R.

Thayer, Merchants National; D. G. Wing, First National. In addition there are a host of bankers from other large centers, and smaller cities.

No Set Speeches Allowed

"All the guests distinctly understand there is not to be a single business feature connected with the gathering," said Breckinridge Jones, president of the Bankers Club, and of the Mississippi Valley Trust Company. "It is simply going to be a play day for the men of big business, and those representing smaller institutions as well. There are going to be no set speeches, no public discussion of banking questions, and no bankers association politics. We just want to get these men out there and let them rest easy, and unburden themselves of irksome business for one day. There will be plenty of diversions for everyone. Golf, fishing and rambles through the meadow and plenty of shady nooks for meetings of the yarn-swapping brethren. There will be food in abundance, including some unusual bits that one does not find in the commonplace bills of fare."

German-American Bank

The German-American Bank, which has long rested in the lap of ultra conservatism, has at last decided to spread itself and modernize. It has leased the southeast corner of Broadway and Pine Street, and will erect thereon an up-to-date building, exclusively for its own use. Wrecking of the old building now occupying the site will commence at once, and work on the new banking edifice will be pushed rapidly. In interior arrangement the new building will resemble that of the Mississippi Trust Company, with main floor, mezzanine floor and basement, the interior to be lighted by a huge skylight. The main lobby will be 40x44 feet in area. The exterior will be of pure white marble, and the interior construction of steel and concrete. The German Savings Institution is one of the oldest banks in the West, dating from long before the Civil War. It has always been famous for its solidity and conservatism. Directors of this bank say that it has some of the original money deposited by its first customers, the same never having been drawn out in all these years. The clients are mainly among the Germans. The president is Nelson W. McLeod, who is also a director in the Mississippi Valley Trust Company.

Akins on Postal Banks

Postmaster T. J. Akins of St. Louis has advanced the theory that postal savings banks are having a marked tendency to check the

ACTUAL value received from their connection with us has increased over accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

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 Everett, Heaney & Co.
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 Vice-Pres. Eastern Steel Co.
RICHARD H. HIGGINS
 Vice-President

Capital and Surplus
\$3,000,000

THE
CHATHAM
 AND
PHENIX

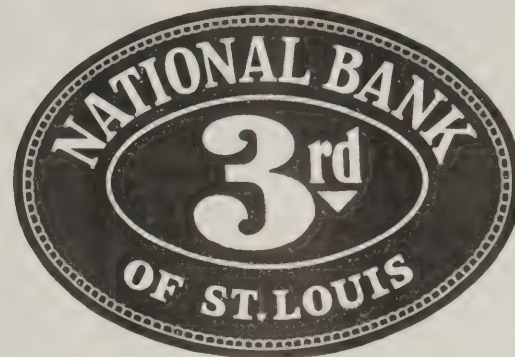
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CAPITAL
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SURPLUS
\$2,000,000

DEPOSITS
\$35,000,000

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CHICAGO, ILL.

national extravagance of Americans. He believes that the rank and file of citizens will save and save, and that thus, ultimately, the people will control the bonded debt of the country, this change being brought about by the conversion of savings deposits into government bonds. Mr. Akins says also that the banks will keep endless money in this country, which otherwise would go to banks in Europe, as foreign laborers are not high thinkers of our lay financial institutions, but have perfect confidence in banks with the government's stamp upon them.

Bank Cashier Surrenders

Advices from Muskogee, Okla., are to the effect that J. A. Plumley, cashier of the Peoples National of Checotah, Okla., was arrested at the former place early this week under a federal indictment, charging false entries in the books and misappropriation of the funds of the bank. Plumley was in Colorado when he learned of the indictment against him and voluntarily returned to Oklahoma and surrendered.

N. W. HARRIS FOUNDATION

Preparations to put into active use the money given by N. W. Harris for the benefit of the school children of the city are under way, and it is thought the work for which the Harris foundation was intended will start at the beginning of the fall term.

The foundation, amounting to \$250,000, with interest at 5 per cent, is to be used to transfer exhibits from the Field Museum to the various schools of the city in order that the pupils may in the classrooms have the benefit of the specimens that they might not see without a visit to the museum.

R. W. Baxter

R. W. Baxter, for the last two years general superintendent of the Illinois Central Railroad with headquarters at Chicago, has resigned to accept the vice-presidency of the Copper River & Northwestern Railroad and to become president of the Alaska Steamship Company with headquarters at Seattle. Chicagoans are sorry to hear of Mr. Baxter leaving the service of the Illinois Central, where he has made a splendid record during the past two years. He was at one time vice-president of the Oregon Short Line Railroad with headquarters at Portland, and for a time president of the Portland Trust Company. All his friends will wish him continued success in his new position.

LARGE PURCHASE OF CORN

"The Corn Products Refining Company has purchased 420,000 bushels of Argentine corn for export to this country. This is without precedent. Buying of corn by the Corn Products Company is due to the high prices of the cereal in this country. In fact, the Argentine corn purchased can be laid down in this country 12 cents below the current price for domestic corn. The Corn Products Company is the largest buyer of cash corn in the country. Its purchases represent something like one-sixth of the total. The company is forced into buying foreign corn in order to protect its export trade. Consumption of corn by the Corn Products Refining Company aggregate something like 36,000,000 bushels a year."

If these sort of statistics can be relied upon it is high time that the farming interests of the United States began farming along lines that will produce better results.

A TIP ON FARMING MATTERS

Some of the eastern owners of western lands have adopted the method suggested by some of the state agricultural colleges, by having tenants fill in on a blue print each year a sketch showing the different fields which are planted and the kind of crops that are being grown. By keeping these blue prints from year to year it furnishes a history to the owner of the land as to what crops have been grown on his land, and he can use it for other purposes, showing the location of buildings, position of roads and other data which may be of interest.

GROUP 8, INDIANA

Group 8, Indiana, will meet this year at Princeton, on June 7th, and has W. G. Edens, assistant secretary of the Central Trust Company of Illinois, down for its principal address. Ten counties of southern Indiana are included in this group, and they expect to hold a rousing meeting. J. L. Bayard, president of the First National at Vincennes, is chairman of the group, and Stuart T. Fisher, cashier of the Peoples National at Princeton, is secretary. Princeton bankers will exert themselves to make this one of the best meetings of the year.

\$1,000,000 BANK PLANNED

Cleveland, O.—A movement is under way to establish a bank, capitalized at \$1,000,000, in this city under the auspices of the Brotherhood of Locomotive Engineers. A resolution authorizing the formation of the institution will be presented at the annual convention of the brotherhood in Harrisburg, Pa., this week. It is said that one thousand members of the brotherhood have pledged themselves to invest \$1,000 each in the shares of the bank.

Editorial Comment

MR. ROOSEVELT AND THE BOSSES

It is estimated that Mr. Roosevelt's campaign to date has cost in the neighborhood of a million dollars. It might be interesting to learn the exact sources from which this money has been derived. It is known that sixty-seven thousand dollars of this amount were contributed by Flinn, Perkins, Munsey and Cochran. Huge sums of money have been spent by the ex-president in all states where primaries have been conducted. In Massachusetts the "advertising bill" was \$57,000. Now a great deal of money is being used in the Ohio campaign. It is said that one Ohio paper has charged that two Ohio bosses have a working agreement which is pecuniary in its nature, and by the terms of which the two men are to work to get delegates for the great "foe" of the bosses. The secretary of the Roosevelt committee is a corporation lawyer. The steel trust is trying to secure the defeat of President Taft because he prosecuted them, and favor Roosevelt because he failed to prosecute them and allowed them to absorb their only great competitor—the Tennessee Coal and Iron Company. Mr. Roosevelt also held up the prosecution of the harvester trust. It is difficult to see how he is anything but the candidate of the interests. One cannot help wondering how the people can believe him when he states that he is an arch enemy of the trusts. No doubt Mr. Roosevelt believes that his personal popularity with the people is so great that it completely will obscure any little discrepancies between what he proclaims himself to be and what the cold facts show him really to be.

It now is proposed to amend the constitution so as to limit the term of the president to six years, he being eligible for only one term. One does not have to think twice to understand why Mr. Roosevelt is so strongly opposed to such an idea. A third term was refused by Washington, Jefferson and Jackson and was denied to General Grant. Mr. Roosevelt, who is so fond of comparing himself with Abraham Lincoln, no doubt believes himself much better qualified and more entitled to receive a third term than were the distinguished ex-presidents above referred to. It is a great thing to have confidence in oneself, but when this confidence assumes such proportions that it amounts to the rankest kind of egotism, it is time that somebody interfered. It is said that the proposed amendment to the constitution is receiving favorable consideration at the hands of the congressional committee. There is no doubt but what Mr. Roosevelt's action was the cause for such a movement. It is not likely, however, that such an amendment will be necessary in the near future, as there are few who believe that the Colonel will receive the nomination at the convention to be held in Chicago in June. It is to be hoped urgently that after this joyful oc-

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

currence he will pay more attention to holding down his job as a private citizen and not bother the public further with the exploitation of his radical ideas.

"BANKING REFORM"

"Banking Reform," a quite pretentious book, recently has been issued by the National Citizens League. No proposed bill has been recommended by the league. It would appear from a perusal of the book that the National Citizens League is not a supporter of the National Reserve plan. However, frequent quotations are made from the sections of the National Monetary Commission bill, and there is constant reference to the notion of a central reserve association. There seems to be very little emphasis placed upon general legislation. Many banking reformers believe that this indicates that the league regards reformation of the existing law as less significant than the creation of a new kind of banking institution. "Banking Reform" studiously avoids supporting the commission bill in all cases in which it differs from other plans looking to the same end.

NEW YORK DEFIES MONOPOLY

Much unfavorable comment was heard among the visiting bankers at the trust company dinner in New York last week over the following printed in all daily papers:

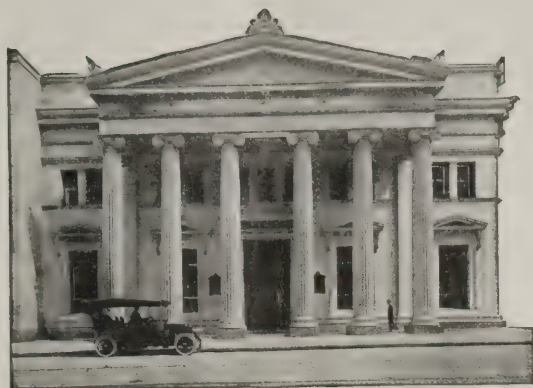
The new \$65,000,000 city bond issue will not be listed on the New York Stock Exchange. Inquisitive people in Wall Street are asking why the Stock Exchange makes a practice of immediately listing the temporary certificates while there is every prospect of activity, but strikes off the bonds because the city refuses to bow to its mandate and have them engraved by the American Bank Note Company.

Stories were in plenty to explain the situation, and thus dissipate the idea that New York City bonds failed to be listed for reasons affecting their value. They tell that "big interests" own the bank note company, and make enormous profits by creating a monopoly at exorbitant prices. This is done by controlling the stock exchange so that stocks and bonds not printed by the American Bank Note Company are not listed. Other reasons advanced are the protection feature, insuring against overissues by irresponsible houses. In truth, an inquiry by the U. S. Government

is hinted at, as the only remedy for an embarrassing situation. The credit of New York City is in no wise affected, and it merely stands pat against the demands of a co-operative monopoly, which should be broken up.

THE BANKERS OPPORTUNITIES IN ALABAMA

There is an awakening among the state bankers that cannot be misunderstood, and that awakening is the outgrowth of the improved conditions, which are so evident on all sides in our great state. It is the awakening of a giant who is only beginning to realize his strength, and who, when he has fully awakened, will realize that for years he has been sleeping upon great opportunities for wealth and power. In my opinion, the bankers of the South have a great work to perform. In their hands is the very destiny of this great land. With a monopoly of the greatest crop in the world within our borders, by the proper fostering and building up of banks, we can hope to handle alone this great crop in a way to make it bring a price that will make us the most independent, and, finally, the richest people in the world. Year by year, we are growing less dependent upon the East and more independent of Wall Street. Let the banks of the South continue to grow in number and in prosperity, let them continue to improve their old methods, as they have in the past few years, and we soon will see the South independent of outside help, and it will be of no importance to us whether the central reserve plan is a success or not. We will need no reserve banks. We will have and we will keep a large part of our reserves at home. It is my firm belief that in five years after the opening of the Panama Canal the demand for cotton and cotton products will have so greatly increased that a sixteen million bale crop of cotton will look like a calamity and every pound of it will bring 25 cents. Then the bankers of Alabama will come into their own. The world then will pay a long-delayed tribute to this great Southland of ours, where chivalry and heroism always have been supreme, but where now they will unite with commercial supremacy and show to the world that both can exist, and the former grow no less. To have built this country from a great waste to a land of joy and promise, a land of prosperity and happiness, in the short time that has elapsed since the surrender, stamps our people as a marvelous race and at once is a refutation of any slander upon our methods and our industry. If, indeed, there was ever any room or foundation for the charge that we were slothful in business it cannot be charged to us to-day. We have struck hands with a most lavish Nature and she is leading us by leaps and bounds to an unmeasured height of prosperity and happiness. Nature holds an outlook bright



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

is justly proud of the record it has made in forty years of service to the public. A steady but conservative growth during this time has placed it in the first position in its territory with a capital and surplus of \$5,000,000.00. In addition to strengthening its own resources it has paid to its stockholders

Five Million Dollars in Dividends

which is an average of over eight per cent annually since organization.

ACCOUNTS OF BANKS IN ITS TERRITORY ARE DESIRED

with promise. For many years she has smiled upon our land and we have but half enjoyed her charms, but now we are beginning to understand her advances and we intend hereafter to meet them more than half way. Heretofore, I have been speaking of the material side of these questions. Now, of the outlook for the banker as an individual, as a man in Alabama. In my opinion, the bankers of Alabama, as men, are the most potent influence to-day in the life of the state. They exert more influence on the business, religious, educational and political life than any other men in our state. It used to be, and that not so many years ago, that the lawyers were thought to possess all the wisdom and all the knowledge in the state.

(Signed) A. E. WALKER,
Supt. Banking in Alabama.

M. A. Graettinger

Martin A. Graettinger, former secretary of the Wisconsin Bankers Association, organizer and former cashier of the Merchants and Manufacturers Bank of Milwaukee, and for the past year in the bond and commercial paper business in Milwaukee, has been appointed state banking examiner by Commissioner of Banking A. E. Kuolt, to succeed A. B. Geilfuss, Milwaukee, resigned.

FARMERS NATIONAL THIRTY YEARS OLD

Farmers National of Springfield, Ill., celebrated its thirtieth anniversary on Wednesday by declaring its regular semiannual 5 per cent dividend. The bank started out with a paid-up capital stock of \$150,000, which later was raised to \$200,000. The bank has paid out in dividends to its stockholders the sum of \$448,000, and has \$301,484.99 in surplus and undivided profits. The Farmers has \$2,000,000 in deposits, and has its affairs carefully and conservatively handled by the following named officers and directors, all well-known business men of this community.

Officers: Edward D. Keys, president; Samuel J. Stout, vice-president; George Pasfield, Jr., vice-president; Alf. O. Peterson, cashier; George E. Keys, assistant cashier; Edward Schoettker, assistant cashier.

Directors: Samuel J. Stout, Thomas Sudduth, George Pasfield, Jr., John W. Shaver, Edward D. Keys, Ben F. Caldwell, Dr. A. L. Converse, William S. Jayne, John Bressmer.

E. A. Curtis, president of the Citizens State Bank of Fon du Lac, Wis., called on Chicago banking acquaintances last week.

John R. Washburn

John R. Washburn, assistant cashier of the Continental and Commercial National Bank, expects to leave shortly for a vacation in California. Mr. Washburn expects to be absent from the city about a couple of weeks.

WAKEFIELD A TULSA BOOMER

James G. Wakefield, assistant cashier of the Corn Exchange National of this city, recently has returned from Texas, where he attended the sessions of the Texas Bankers Association held at San Antonio. The convention was well attended, Chicago being well represented by the visitors present. Everyone seemed satisfied with the manner of conducting the sessions. Mr. Wakefield also visited Tulsa, Oklahoma. He reports that the city now is very thriving and prosperous. It contains 31,000 inhabitants, and boasts of well-paved streets and good sidewalks. There are seven growing banks in the town. Mr. Wakefield attributes a great deal of the phenomenal growth of the city to the extensive oil business which is being carried on.

ILLINOIS GOOD ROADS CONFERENCE

Members of the good roads committee of the Illinois Bankers Association met at the Rookery on Thursday of this week under a call issued by Chairman S. E. Bradt, vice-president of the First National at DeKalb. Members of the committee present were: O. P. Bourland, president of the National Bank of Pontiac; O. W. Hoyt, president of the First National at Geneseo, and Thomas Sudduth, a director of the Farmers National at Springfield. A committee report was adopted and Chairman Bradt

was authorized to have it printed and circulated among the bankers of Illinois and the members of the federated commercial clubs of the state. At noon the bankers' committee met with the officers of the Illinois Highway Improvement Association at luncheon at the La Salle Hotel, where a joint meeting of these good road interests was held. R. J. Finnigan, secretary; H. Paulman, chairman of the executive committee; W. G. Edens, president of the Illinois Highway Improvement Association, attended this conference. Energetic efforts will be put forth by these committees to secure the respect and confidence of farm and land owners in Illinois, to the end that there will be co-operation on the part of all citizens in the state for permanent improvement of Illinois highways.

John F. Hagey

John F. Hagey, assistant cashier of the First National, has just returned from New York. He has been attending the sessions of the executive council of the A. B. A. at Briarcliff.

NEW OFFICES AMERICAN BANKERS ASSOCIATION

During the week that the executive council of the American Bankers Association was in session at Briarcliff, Secretary Farnsworth was having the executive office of the association removed from the eighteenth floor to the twelfth floor of the building at 11 Pine Street. This removal was made necessary by the continued growth of the association, and by the consolidation of all the offices of the sections under the supervision of the general secretary. The new offices will occupy the largest part of the twelfth floor and have been remade to the order of Col. Farnsworth and his associates so that a large corridor has been enclosed and made into a private reception room in addition to both outside and inside offices, which will take care of the increased business of the association for some time. One large room will be devoted to library purposes, which, under the care of the present efficient librarian, already has become a very useful adjunct. Financial and banking subjects are being filed and card indexes are kept of all articles of that nature appearing in the financial and banking publications as well as in the general press. These clippings are at all times available to bankers who are preparing addresses or papers touching upon such subjects. The standing invitation to bankers from all over the country to call at headquarters will mean considerably more than it has meant before, owing to the reception facilities, stenographic, and other accommodations at headquarters.



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For over half a century we have withstood every financial crisis that has befallen the Nation, including the period of the Civil War. **C.** Your account carried on the books of a solid, conservative bank adds prestige to your name. **C.** Correspondence and interviews solicited.

WE CAN SERVE YOU WELL

EDWARDS WHITAKER	President
MURRAY CARLETON	Vice-President
WM. H. THOMSON	Vice-President
ERNEST M. HUBBARD	Cashier
E. L. TAYLOR	Assistant Cashier
C. R. LAWS	Assistant Cashier

President Frank M. Moody to Alabama Bankers

In rounding out a score of years of usefulness, it is indeed fitting that this convention should be held in the great seaport of our state, one destined to be the wide gateway to the Panama Canal. Through this city will pass ship load after ship load of coal, iron and finished products from diversified industries located in this and other states. Through this same gateway will pass the agricultural products from a wide area, particularly those raised in the fertile fields of Alabama. When we reflect that as each ship weighs anchor and turns her prow to the open sea carrying one or more commodities in which some banker in this state has held or now holds either a direct or indirect interest, we realize the strength of the tie which binds us to a seaport within our own borders, a seaport which will soon become one of the largest and most important on the Gulf of Mexico.

During no period in the history of banking in Alabama have our banks been in a better condition than at the present time. There has been a material increase in their deposits and earnings within the last twelve or eighteen months. It is an unusual exception for any of our banks not to report a healthy percentage of increase in both of these items, though just now, on account of unfavorable weather conditions, loans are somewhat contracted and reserves are larger than usual. There is a tendency towards greater conservatism and sound banking, rather than towards a strenuous and unwise competition for business of a speculative or doubtful nature. Volume of business should not be sought at the expense of safety.

The cotton crop of 1911 was one of the largest ever produced in this state, and while a large portion of it was sold at a rather low figure during the early fall months, many of our farmers, merchants and factors realized a good price by holding until 1912. It is a pleasure to note that many farmers raised not only sufficient corn, oats, hay and other food crops for their own use, but a surplus for market purposes. This is a healthy condition and one which should be stimulated by every banker. We have nothing to encourage us regarding crop conditions and prospects at the present time on account of unprecedented rains for some months past. However, with good seasons from now until fall, it is possible for the state to produce an average yield. While we may not be very optimistic concerning present crop conditions, on the other hand we note that mining and manufacturing conditions are much better than they have been for some time. Prices for coal, iron and steel have materially advanced, while our mines, furnaces and other industrial plants are running at full time with a healthy atmosphere pervading all sections of the country. As soon as political conditions become settled the United States will undoubtedly enter upon an era of prosperity heretofore unknown.

Extols Work for Supervision

About two years ago, this association appointed a strong legislative committee and instructed it to prepare a state bank bill for consideration at the next annual meeting. How well this committee performed its work is now a matter of history. Suffice it to say that the bill as recommended received the unanimous endorsement of this association, and soon afterwards was enacted into law with but minor changes or amendments. At the present time no state in the Union has perhaps a better banking law than has the state of Ala-

Twentyeth annual convention at Mobile gives a résumé of conditions in the state. Progress of the association reviewed. New banking law and supervision among the recent accomplishments

bama and this is due entirely to the foresight and efforts of this association. The days of the bank promoter have ended, and the financial institution that does not conform to either wholesome national or state laws must close its doors. This is a condition, not a theory, and one toward which farsighted and conservative bankers have looked forward for many years. The management of our state



F. M. MOODY

Retiring President Alabama Bankers Association, Tuscaloosa, Alabama

banks is now vested in a banking board composed of the superintendent of banks and two officers of state banks. These are ably assisted by competent examiners. The personnel of the banking department is all that could be desired and there is probably not a state banker in Alabama who does not feel that the best interests of the bankers, as well as the public, have been conserved by these improvements in our state banking system.

Believes Currency System Defective

It is a well known fact that in some respects our currency system is quite defective. Congress, tardily recognizing this weakness about four years ago, appointed a National Monetary Commission. This commission worked diligently, visiting nearly all sections of this country, as well as spending considerable time in Europe. It has had the benefit of the advice of some of the ablest financiers in the world. The result of their labors has been given to the public in a tentative measure for a proposed National Reserve Association of the United States. I will not tax your patience with an enumeration of its provisions, as each one of you has in all probability considered the plan in detail and given it much serious thought and consideration. I believe that the minutes of the last American

Bankers Association will bear me out in the statement that the plan was almost unanimously endorsed at that meeting.

At no time since this association was divided into groups, have the group vice-presidents been more active and zealous in the discharge of their duties. Most of the group meetings have been well attended and have proven most beneficial and instructive to the bankers present. Too much stress cannot be laid on these meetings, for, as a rule, formality is cast aside and the discussions which follow are, consequently, valuable and profitable.

Advises Agricultural Development Committee

In reviewing the work of this association since its existence we find that it has accomplished much which has been wholesome and beneficial not only to the banks, but to every citizen of the state. There is every reason why there should be a continuance of such a policy, and we would be unmindful of our duty as patriotic citizens should we not reach out and extend our sphere of usefulness. Remembering the vast natural resources within the borders of our state, we are, nevertheless, forced to believe that the bone and sinew of our wealth lie in our agricultural development. As a material aid in the development of our farms and vast mineral resources we are forced to conclude that immigration will, in a certain measure, advance and hasten our progress. For the foregoing reasons I most respectfully recommend and urge the appointment of two standing committees by this association as follows:

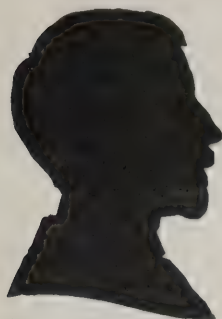
- (1) Agricultural Development and Education.
- (2) Immigration.

The first conference of the committee on agricultural development and education of the state bankers associations of twelve of the states of the Northwest was held in Minneapolis and St. Paul, October 18th and 19th, 1911. The conference was well attended and the results of the work accomplished by the committees during the preceding two years proved to be more gratifying than anticipated. A similar conference will be held during the latter part of this summer and this association has been urgently requested to have one or more representatives present with a view of co-operating along the lines outlined by the conference.

After conferring with many who have worked for the best interests of this association for a long term of years, I suggest that the by-laws of this association be so amended as to take away from the "Nominating Committee" some of their prerogatives and that in the future all nominations for the offices of president, vice-president and secretary-treasurer shall be made from the floor of the convention by a duly accredited delegate. Such a change and procedure would doubtless meet the views of the association.

We are indeed fortunate in having with us on this occasion speakers who are specialists in their several lines of endeavor. Each is devoting his time and energy to some line of work particularly interesting to the members of this association and I am sure that we all feel deeply grateful for their presence and that their remarks will be much enjoyed. I desire to most heartily commend our efficient secretary-treasurer for his untiring efforts and for his ceaseless devotion to the interests of this association.

In conclusion, I wish to most sincerely thank you for the honor which you have con-



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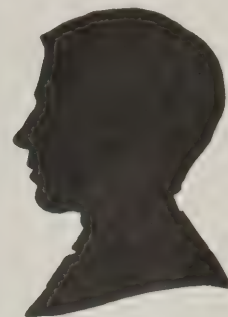
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ferred upon me. Unforeseen obstacles and circumstances have prevented me from devoting as much time to the duties of this office as I had hoped to do at the beginning of my incumbency. However, I desire to say that I will always be found endeavoring to promote the best interests of the Alabama Bankers Association.

CAPTAIN PORTER ON COUNTERFEIT MONEY

Captain Thomas I. Porter, in charge of the United States secret service office in this city, at the invitation of the officers of North West State Bank, delivered a lecture to the employees of that bank on the 14th, exhibiting samples of all recent counterfeits and especially emphasizing the characteristics, which most easily would enable a person to identify them as counterfeits. His lecture was not only instructive, but very interesting, and the officers and employees of North West State Bank feel under great obligations to him for his courtesy.

President Joseph R. Noel believes other banks could have talks from Captain Porter, and that much valuable information is thus available. The captain is an interesting talker and stands very high among those of his craft.

INNOVATION IN CLEARING HOUSE REPORTS

Secretary O. Howard Wolfe of the clearing house section, A. B. A., is deeply interested in the action taken by this section in attempting to secure total business transactions instead of total clearings, as at present. This has come about as a result of several suggestions received from various cities wherein it has been recognized that the present statistics covering clearings only reflect to a certain degree the business transactions of any city. "If we should succeed," he writes, "in securing the co-operation of twenty or thirty important clearing houses in submitting total transactions, we will then have figures of some practical value." The plan is to have banks in each town report their transactions to the local clearing house, which would, in turn, transmit the figures to the clearing house section of the American Bankers Association. These would be tabulated for the period of one year, and at the end of that period the new statistics could be used as a basis for comparison with the figures which then would be published as total transactions prepared under present methods. In this way there would be both uniformity and accuracy which now are lacking. There is no intent to abolish the present statistics which have been compiled for many years. It may be presumed, however, that in the course of time, when the majority of clearing houses report total transactions the present lists will be more or less disregarded as an index of business fluctuations."

Wm. J. De Vol

William J. De Vol, president of the First National at Lebanon, Indiana, anticipating the approach of the summer season, spent several days at his hotel at Bay View, Mich., this week, where he is making preparations for the season's opening. Additional bathrooms and other improvements will be made in this popular hotel for the care and comfort of this season's guests.

AGRICULTURAL TALKS AT ALABAMA CONVENTION

To show the importance of the agricultural development idea as shown by the proceedings of the Alabama Bankers convention at Mobile it only is necessary to point to the strong stand taken by President Frank E. Moody in his annual address, which is printed in another portion of this issue of THE CHICAGO BANKER; also to the strong paper read by W. E. Hinds on the "Business Man's Part in the Boll Weevil Fight," and to another on "The South's Empty Acres," by G. Grosvenor Dawe, managing director of the Southern Commercial Congress. In presenting his ideas to the convention Mr. Hinds said in part:

"A study of the actual facts of the boll weevil occurrence in previously infested sections shows us that the weevil quite regularly has caused a reduction of approximately 50 per cent in the cotton yield in territory infested from one to three years. During this critical period the reduction is brought about directly by severe injury to the crop, and in-

directly by destroying confidence among the planters in their ability to raise cotton profitably with the weevil present. This period commonly is characterized by a more or less well-defined business depression, if it does not indeed amount to a small panic. It would not be difficult to prove that this feeling of panic actually has caused greater loss to the business interests of the territory infested than has the loss of cotton directly destroyed by the weevil."

Mr. Hinds believes that the bankers are to determine the financial policy to be followed in this emergency; that it must be remembered that the calling in of existent loans, or the refusal to make new ones on account of the boll weevil occurrence, is certain to precipitate the panic which it is desired so much to avoid. In nearly all cases it probably would be safe to advance from one-half to two-thirds of what formerly has been allowed. Mr. Hinds believes that the advancer should have the right to insist that the borrower follow such practices as best will enable him to meet the obligation when it falls due. He strongly urges the business men of the various communities to unite in their attitude and action in the boll weevil fight, and believes that the banker is the logical party to see that such action is taken as best will conserve the business interests of his community.

Mr. Dawe stated that the people of the United States are prone to boast of their agricultural achievements. In February of this year the country imported two and one-half million bushels of potatoes; in the eight months ending in February, 1912, we imported \$7,000,000 worth of bread stuffs, which could have been grown and manufactured here. This also is true of other articles which have been imported. There also has been a large decrease in the exports of the country. The urban population has been increasing steadily, and the immigrants who are coming to our shores are of a new strain and are crowding our cities. At the present time the average yield of a European crop is two and one-half times that of an American crop. Mr. Dawe believes that the nearest approach to the standard of European production exists in the South. There are, however, 258,444,568 acres of idle lands in the South, an area twice as large as that of Germany or France. Mr. Dawe thinks that if a contented farming population were engaged in the raising and growing of staples for home consumption and for exportation, there would come into existence ten times the commercial activity that now exists in the South. In fact, the South, if producing in accordance with its opportunities, could maintain a population of over two hundred millions instead of twenty-eight millions.

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PROMISES TO ASSIST A. B. A.

Edwin L. Wagner, president of the National Produce Bank of this city, has promised to assist in boosting the A. B. A. membership in this state.

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W. L. BUECHLE, Vice-President
CHAS. H. MOORE, Vice-President
JAS. T. BRADLEY, Cashier

Surplus, \$500,000

CHAS. M. VINING, Assistant Cashier
W. H. GLASKIN, Assistant Cashier
JAS. F. MEADE, Assistant Cashier

Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

P. W. Goebel, president of the Commercial National of Kansas City, Kan., brought a message of good cheer from the East where he attended the meeting of the executive council of the American Bankers Association. "The financial condition of the United States, barring perhaps two little spots on the Pacific Coast, is sound," said Mr. Goebel. "There is less inflation than in many years, and there are no indications of panicky conditions that might arise during the next six months. If we raise a fair average crop over the country, no matter who is president, I believe business will be better than it has been for the past several years. Money is not only extremely easy all over the country, but American interests have an enormous credit balance in Europe that could be made available in little time. American bankers have loaned \$400,000,000 to German interests in the past eight months. The business outlook of the country, as viewed by the eighty men attending the New York meeting, is the best in years."

Oklahoma Convention a Big Success

The sixteenth annual convention of the Oklahoma State Bankers Association, which ended a two days' session at Tulsa Saturday of last week, was the most successful and best attended meeting of the association since its organization. The election of officers resulted as follows: president, Asa Ramsay of Muskogee; secretary, W. B. Harrison of Enid, and treasurer, J. R. Prentice of Duncan. The two vice-presidents elected are: W. S. Guthrie of Oklahoma City and P. C. Dings of Ardmore. Muskogee is a strong bidder for the 1913 convention and it is practically certain that it will get this honor. The selection of the meeting place is in the hands of the executive committee, which will not act for some time. One of the most important acts of the convention was the decision to create an agricultural committee and to send the chairman of the committee to the agricultural conference at St. Paul in August. J. D. Lankford, Oklahoma state bank commissioner, and the other members of the state banking board received a formal resolution of thanks for the arduous work they have been doing in raising the standard of banking in Oklahoma. Mr. Lankford in his address before the convention said that last year had been a trying period not only for the bankers of Oklahoma but for business men in all lines as well. But in spite of this condition he expressed a spirit of optimism for the future, declaring that with her wonderful resources Oklahoma will recover speedily. He denounced the men who go into the banking business and use the money which they receive for speculation, and advocated the most

severe penalties for embezzlement. During the convention the members of the American Bankers Association held a meeting and G. D. Davis of Claremore was elected vice-president for Oklahoma, and H. M. Spaulding of North Enid was named as the Oklahoma member of the nominating committee.

Complete Plan for Mutual Bonding and Insurance Company

At the last convention of the Kansas State Bankers Association a committee of five members was appointed to develop a plan for organizing a mutual bonding and insurance company to handle much of the business which Kansas banks now give to eastern bonding and insurance companies. The committee has finished its work and will present its plan to the Kansas bankers at their next meeting. The new mutual company is to do only two kinds of business. It is to write bonds of banks for counties, cities, school boards or other public corporations as a guaranty that the full amount of deposits will be returned to the depositors. The company also is to write burglary insurance to protect the banks against loss in case of a robbery of any kind or in case of a theft by an employee. It will also write bonds of employees of the different state banks. It is planned to require each state bank to pay an assessment of one-tenth of its capital and surplus as the new company is organized and there will be a small assessment each year to maintain the surplus created by the first assessment and to pay the operating expenses of the company. If there should be any losses additional assessments would have to be made to maintain the surplus fund.

Reports on Bank Burglaries

C. W. Tobie, Kansas City manager for the William J. Burns National Detective Agency, employed by the American Bankers Association, attended the Oklahoma State Bankers convention at Tulsa, where he presented a detailed report of the bank burglaries in Missouri, Kansas and Oklahoma since January 1, 1910. Mr. Tobie said that the total amount of money derived by bank burglars throughout the United States for the year 1910 amounted to \$197,347, and by holdups in banks \$4,510. "I haven't the exact figures of the loss of 1911," said Mr. Tobie, "but can safely say that the amount was diminished by one half. Of the three states where I have charge of our work, Kansas banks were the hardest hit by this class of criminals in 1910, when they secured \$27,420 by burglary and holdups in twelve banks. Only one of these banks, the one at Ford, Kan., where they secured \$3,639 by burglary, was a member of the American Bankers Association. The association spent

\$1,720 to bring these men to justice. In 1911 there were but five attacks upon Kansas banks, less than half the number of the year before. They secured \$9,164, only about a third of what was lost the year before. Only two of these banks were members of our association. At the Chautauqua State Bank, which was attacked on the night of September 10th, the robbers secured nothing, and a short time afterward, in holding up a Missouri, Kansas & Texas train at Oketa, Okla., one was killed in a running fight with a sheriff's posse. Another was recently sentenced to 25 years in the federal prison. When the bank at Hudson, Kan., was burglarized, the night of March 24, 1911, by three men, \$4,600 was secured. Our association spent over \$1,200 to bring about the apprehension of these men. One of them was sentenced to life for killing an officer; another was sentenced for 45 years for shooting a night watchman and the other was sentenced for 35 years. Missouri did not have so many attacks as Kansas, although the burglars fared better in 1911 than 1910. There were but four banks attacked in 1910 and only two of these were successful burglaries, in which \$8,482 was secured. Neither bank belonged to the American Bankers Association. In 1911 there were seven attacks, four being successful, entailing a loss of \$13,000. Although there are 1,105 banks in Kansas and 1,401 in Missouri there hasn't been an attack upon a bank in either state so far during 1912. Oklahoma has not been so fortunate. In 1910 there were 14 attacks upon Oklahoma banks, eight of them being successful, the robbers securing \$14,806. In 1911 there were fifteen attacks, eight of which were successful, the loss being \$11,300. Seven of these were non-members of the American Bankers Association."

Mr. Tobie says that bank burglary is getting to be a thing of the past in this part of the country. The banks are so well protected that it is a hard matter for burglars to escape capture.

Central West Notes

When the federal government changes the name of a postoffice, it is not incumbent upon a state bank operating in the town to change its name to conform thereto is a recent ruling of the Oklahoma attorney-general. The post-office department changed the name of Nashville, Okla., to Nash, but the State Bank of Nashville, Okla., declined to amend its articles of incorporation accordingly.

C. A. Gwinn, cashier of the First National of Anthony, Kan., with others, has purchased a large block of stock in the Eastman National of Newkirk, Okla. E. B. Eastman, who has been president since the organization of

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J. E. COMBS - - Cashier
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R. N. RIDGE - - Auditor

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the bank, and C. A. Eastman, who has been cashier during its existence, will retire. Mr. Gwinn has had twelve years' experience in the banking business and has been associated with P. G. Walton, now cashier of the New England National of Kansas City.

The First National of Hutchinson, Kan., has moved into its handsome new home, the six-story white structure at the corner of Sherman and Main streets.

F. E. Brown, former president of the Ellinger Banking Company of La Grange, Texas, has been found guilty of receiving deposits into an insolvent institution and his punishment has been fixed at five years' imprisonment.

A charter has been issued for the incorporation of the La Costa National of La Costa, Texas, with a capital of \$25,000. Joseph Courand is president and H. C. Heilig is cashier.

John T. Stewart of Wellington, Kan., has bought a controlling interest and assumes the presidency of the First National of Medford, Okla., T. T. Godfrey, former president, retiring. Mr. Godfrey also has sold his interest in the First National of Holdenville, Okla., to Frank G. Walling, A. S. Brown and L. D. Anderson.

It is announced that A. H. Stout of Cherokee, Okla., will make no further resistance to the prosecution for misapplying the funds of the First National of Cherokee, of which he was president when it closed its doors November, 1910. Stout was sentenced to five years in the federal penitentiary and will begin his term at once.

Bids will be received by the city commissioners of Waco, Texas, June 4th for the sale of \$400,000 waterworks bonds and \$20,000 public works bonds.

John C. Chidsey of Paris, Texas, has been appointed national bank examiner and will be assigned to a district in Texas. Mr. Chidsey has had six years of banking experience as cashier and manager of the Park National, Sulphur, Okla.

J. A. Plumley, cashier of the Peoples National of Checotah, Okla., has been arrested on a federal indictment charging false entries in the books and misappropriating the funds of the bank.

The Commerce Trust Company of Kansas City has secured the \$170,000 of improvement bonds recently voted by Springfield, Mo.

Prominent bankers in Kansas City have received invitations to a unique spread to be given by the Bankers Club of St. Louis, May 25th. Half a dozen Kansas City bankers will accept.

Charles Crawford, a pioneer business man of Atchison, Kan., died last week in a sanitarium at Kenosha, Wis. He was identified with many large commercial, industrial and banking enterprises of Atchison and Kansas City and was also a large land holder in western Kansas and Oklahoma.

Major J. B. Remington, president of the Osawatomie State Bank of Osawatomie, Kan., died last week. He had been in the banking business for forty-three years.

Boone S. Hite, president of the Anadarko State Bank of Anadarko, Okla., was a guest of W. T. Kemper, president of the Commerce

Trust Company of Kansas City, one day last week. Speaking of conditions in Oklahoma, Mr. Hite said: "Corn is now up knee-high down our way and still growing; oats and wheat never looked better in the history of that section. Recent rains have helped to boost things along, backing up what the heavy snows did last winter. We look for Oklahoma to produce the record bumper crop of her history."

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TRUST COMPANY BANQUET

The second annual banquet of the trust companies of the United States, members of the trust company section of the American Bankers Association, was held at the Waldorf-Astoria in New York on May 9th. This gave an opportunity to the members of council and of

committees who attended the sessions at Briarcliff to be present at the banquet. Bankers from many different sections of the country were present. Col. F. H. Fries, president of the trust company section, and of Winston-Salem, N. C., presided in an able and dignified manner. Out-of-town bankers who were seated at the speakers' table included F. H. Goff, president of the Cleveland Trust Company; Oliver C. Fuller, president of the Wisconsin Trust Company of Milwaukee; William Livingstone, president of the Dime Savings Bank at Detroit and president of the American Bankers Association; H. P. McIntosh, president of the Guardian Savings and Trust Company of Cleveland; George M. Reynolds, president of the Continental and Commercial National of this city; Festus J. Wade, president of the Mercantile National and Mercantile Trust Company of St. Louis; John Skelton Williams, vice-president of the National Bank of Virginia, Richmond. Col. J. J. Sullivan, president of the Central National Bank; John Sherwin, president and T. H. Wilson, vice-president of the First National; E. R. Fancher, vice-president of the Union National, were some of the Cleveland bankers in attendance. William A. Law, vice-president of the First National of Philadelphia, headed the delegation from that city. Chicago was well represented by John Jay Abbott, vice-president of the Continental and Commercial Trust and Savings; John S. Broeksmit, cashier of the Harris Trust; John Hagey, assistant cashier of the First National. Others from the First National were McKay, Hardenbrook and Boisot; W. G. Edens of the Central Trust; J. Fletcher Farrell, vice-president of the Fort Dearborn; Lucius Teter, president of the Chicago Savings Bank and Trust Company, and Solomon A. Smith, vice-president of the Northern Trust Company, also attended from this city. Boston sent Daniel G. Wing, president of the First National, and H. A. Rhoades, president of the Dorchester Trust Company. This shows that the attendance at the banquet was national in character, the Pacific Coast being represented by H. S. Fletcher of Watsonville, Cal.; Samuel M. Jackson, manager of the Branch of the Bank of California; and P. C. Kauffman, second vice-president of the Fidelity Trust Company, represented Tacoma. It is said that thirty-six states of the Union were represented by the attendance. Those present voted it one of the best bankers' banquets ever held in the history of the organization.

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CONTINENTAL OFFICERS AWAY

William G. Schroeder and Alexander Robertson, vice-presidents of the Continental and Commercial National, have been out of the city on vacation trips. Mr. Schroeder has been in the East, where he visited Atlantic City and Virginia Hot Springs. Mr. Robertson has been in the South. They are expected back shortly.

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STATE HISTORICAL SOCIETY TO MEET

The annual meeting of the Illinois State Historical Society will be held in the state capitol building at Springfield on May 23d and 24th. Mrs. Minnie G. Cook of Milwaukee will speak on "Virginia Currency in the Illinois Country." Mrs. Jessie Palmer Weber is the secretary of the society.

Convention Dates

MISSOURI—Joplin, May 21 and 22; Secretary, W. F. Keyser, Sedalia.
MISSISSIPPI—Gulfport, May 21, 22 and 23; Secretary, R. Griffith, Vicksburg.
KANSAS—Topeka, May 23 and 24; Secretary, W. W. Bowman, Topeka.
CALIFORNIA—Long Beach, May 23, 24 and 25; Secretary, F. H. Colburn, San Francisco.
GEORGIA—Atlantic Beach, Fla., May 24 and 25; Secretary, L. P. Hillyer, Macon.
ARKANSAS—Little Rock, May 28 and 29; Secretary, Robert E. Wait, Little Rock.
TENNESSEE—Knoxville, May 29 and 30; Secretary, F. M. Mayfield, Nashville.
IOWA—Cedar Rapids, June 5 and 6; Secretary, P. W. Hall, Des Moines.
MICHIGAN—Kalamazoo, June 11, 12 and 13; Secretary, (Mrs.) H. M. Brown, Detroit.
MASSACHUSETTS—Springfield, June 12 and 13; Secretary, George W. Hyde, Boston.
NEW YORK—Buffalo, June 13 and 14; Secretary, William J. Henry, New York City.
MINNESOTA—State Agricultural College, St. Paul, June 14 and 15; Secretary Charles R. Frost, Minneapolis.
IDAHO—Coeur d'Alene, June 17, 18 and 19; Secretary, J. W. Robinson, Boise.
PENNSYLVANIA—Bedford Springs, June 18 and 19; Secretary, D. S. Kloss, Tyrone.
NORTH DAKOTA—Jamestown, June 19 and 20; Secretary, W. C. Macfadden, Fargo.
VIRGINIA—Old Point Comfort, June 20, 21 and 22; Secretary, Walker Scott, Farmville.
MARYLAND—Blue Mountain, June 20, 21 and 22; Secretary, Charles Hann, Baltimore.
OREGON—Portland, June 21 and 22; Secretary, J. L. Hartman, Portland.
SOUTH DAKOTA—Belle Fourche, June 26 and 27; Secretary, J. E. Platt, Clark.
NORTH CAROLINA—Morehead City, June 26, 27 and 28; Secretary, Wm. A. Hunt, Henderson.
WASHINGTON—Tacoma-Olympia, June 27, 28 and 29; Secretary, P. C. Kaufman, Tacoma.
OHIO—Cedar Point, July 2 and 3; Secretary, S. B. Rankin, Charleston.
SOUTH CAROLINA—Charleston, July 5 and 6; Secretary, Lee G. Holleman, Anderson.
WEST VIRGINIA—White Sulphur Springs, July 11 and 12; Secretary, J. S. Hill, Charleston.
WISCONSIN—Milwaukee, July 24 and 25; Secretary, George D. Bartlett, Milwaukee.
American Institute of Banking—Salt Lake City, Utah, August 21, 22 and 23; Secretary, A. C. Dorris, Nashville, Tenn.
American Bankers Association—Detroit, week of September 9-14; Secretary, Fred E. Farnsworth, 11 Pine Street, New York City.
ILLINOIS—Peoria, September 25 and 26; Secretary, R. L. Crampton, Chicago.
INDIANA—Indianapolis, October 16 and 17; Secretary, Andrew Smith, Indianapolis.
ARIZONA—Tucson, October 18 and 19; Secretary, Morris Goldwater, Prescott.

TEN YEARS' PROGRESS

In the Surplus and Deposits of the

Security National Bank Of Minneapolis

Surplus and Profits

1902, \$ 160,000
1912, 2,100,000

Deposits

1902, \$8,000,000
1912, 20,000,000

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

After touching on the Titanic disaster the Northwestern National Bank Review for May takes up the general Northwestern condition as to finance and crops. In part the Review says:

In the Northwest, there is a general feeling that this year will be a prosperous one, for all indications at present point toward a good yield of all the important products of this great agricultural district. An abundance of rain last fall, a rather late spring with plenty of moisture, and no set-backs, occasioned by chilling frosts, is the consensus of reports received from all directions, and an optimistic spirit is evident everywhere, as brought out by interviews with well-informed bankers and business men from all parts of the Northwest.

There is an abundance of money available at reasonable rates to meet all legitimate demands. Minneapolis bank statements showed again at the last call, April 18th, total deposits of over \$100,000,000, thus maintaining the prominent rank the city has taken among the financial centers of the country. With the rapid development of the territory tributary to Minneapolis, these figures in the not distant future will seem small.

We, so far, see no occasion to change the opinion expressed in our number of December last, that this will be a quiet but satisfactory year in business.

M. B. Koon Back from California

As gallantly as if he were complimenting a "Coca Cola" beauty, Judge M. B. Koon, vice-president of the Northwestern National, said on his return from a winter in California: "Not in thirty years in which I have gone away nearly every winter and returned in the spring, have I seen Minneapolis looking so well," and Minneapolis returns the compliment. Incidentally handing something to George F. Orde, chairman of the street cleaning committee of the Civic and Commerce Association, he added: "The streets are cleaner than I ever saw them at a like time. The city

looks livelier, and it seems good to get back. If the influence of the new association has helped to bring this about it has been well worth while."

Hold Conference in Minneapolis

To put itself into the eye of the Twin City business men so that it will be as effective in drawing attention as a sylvan scene, prominent South Dakota leaders had a day in conference with representatives in Minneapolis of bankers, the North Dakota Better Farming Association, and of the Civic and Commerce Association. It transpired that while South Dakota joins Minnesota on the west the Twin Cities get only a small amount of the trade. What South Dakota needs, said one, is recognition of the mutual relations between the two. The movement for diversified farming, rotation of crops and better things for the rural communities, does not mean less grain, but more grain on a decreased acreage, produced more economically, and in addition more live stock and better dairying."

C. D. Brown Addresses Group Meeting

How to mix with the yeggmen and spoil their plans is said to have been the tentative subject for Charles D. Brown, head of the Interstate Protective Association, before the bankers of the Sixth Minnesota district, May 15th, at Little Falls. One hundred and fifty attended the meetings. The banquet was served at the Hotel Buckman, addressed by J. W. Wheeler, president of the Capital Trust Company, St. Paul. Mr. Brown's real subject was yeggmen, but he slopped over into the realm suggested by the tentative subject, something with which he is intimately familiar.

Depositors Will Not Lose

State Bank Examiner Kelsey S. Chase at Winnebago, Minn., examining into the Bank of Commerce, estimates that the loss to the bank will be \$25,000, covered by capital and

reserve. Officers are still searching for the former vice-president, H. W. Parker. President J. Sharp says that in so far as his resources permit depositors will receive dollar for dollar, as he is ready to put in his personal fortune. His two sons, directors, are reported to be willing to stand with the president in regard to depositors.

W. B. Gerry of St. Paul Recovered

Rehabilitated by an operation for goitre, W. B. Gerry, well-known club man, vice-president of the Capital, has returned to St. Paul from the Mayo surgical shop at Rochester. For a few days Mr. Gerry will sit around and meditate how, if it were only a few degrees colder, there might be curling ice again. When he is back to a normal strength basis he will sit in again at his desk alongside J. R. Mitchell and J. W. Wheeler, and concoct plans to raise the deposit aggregate in that institution.

F. M. Prince's Views on Spain

After inspecting Spain, F. M. Prince, president of the First National, has come back to Minneapolis with a more optimistic view than he got on a previous trip. He found the Pierson syndicate of Englishmen active in Barcelona, where it operates street cars, and he found an American pickle well represented in Sevilla. That Spain is encouraging travel, Mr. Prince relates for the benefit of others who may contemplate the peninsular trip. Hotels are generally good, people friendly and the country end of the trip enjoyable. Madrid has some new buildings.

"Agriculture is not modern in our sense," Mr. Prince said, "but the land, which as a rule is usually held in large tracts and rented out in a small way, is made beautiful by the tillers of the soil, who work in the old-fashioned way. Modern machinery is being introduced.

"The people of Spain are far more intelligent, better appearing, self-respecting and independent, far more pleasant to meet, than

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any traveler would suppose, who has been only in the larger cities, and has perhaps seen the worst side. While Spain is backward, judged by our modern conditions, there is improvement going on, in both the city and the country. The large number of good appearing, industrious country people makes the country an agreeable surprise to one who has never been through it."

Program for Group 2

Including the southern part of the seventh district the second district Minnesota bankers will meet May 22d at Worthington. Colonel J. A. Town will make an address of welcome and President John S. Tolverson will rejoice. Addresses are to be as follows: "Registration of Commercial Paper," W. D. Willard, Mankato; "District Development," W. A. Streater, Winnebago; "Plans and Purposes of the Southern Minnesota Better Development League," T. G. Bonnallie, Tracy; "Practical Road Construction," Professor H. C. Solberg, Brookings, S. D.; "Present Status of Monetary Reform Measures," W. D. Willard, Mankato.

At the round-table H. E. Hansen of Winndom will speak on "Desirable Changes in Our Federal Bankruptcy Law," and "Clearing of District Items" will be discussed. A legal question box will be conducted by Colonel Town. The election of officers will be followed by an automobile ride. Reports of committees will be received at night. Senator J. E. Haycraft of Madelia will speak on "Southwestern Minnesota—What It Is and What It Should Be." The banquet will be served at the Thompson Hotel.

Minnesota Group Meeting Dates

Some of the future group meetings in Minnesota are as follows: Group 1, May 24th, Rochester; Group 2, May 22d, Worthington; Group 3, May 21st, Farmington; Group 6, May 25th, Little Falls; Group 9, May 28th, Battle Lake. Group 7 met May 14th at Glenwood.

At the Methodist Conference

Various professions and lines of business are entertaining delegates in the same profession or business at home who are now attending the Methodist general conference through May in Minneapolis. Twenty-eight were guests at the Commercial Club for luncheon of the officers of the First National Bank. From outside there were present: Austin Blakeslee, Du Bois, Pa.; L. J. Stark, Havana, Ill.; W. H. Gould, Philadelphia; Thomas H. Murray, Clearfield, Pa.; George F. Secor, Ossining, N. Y.; A. J. Flather, Nashua, N. H.; D. L. Tuttle, Springfield, N. Y.; D. M. Woodfill, Gravity, Iowa; S. E. Morris, Mitchell, S. D.; Oscar P. Miller, Rock Rapids, Iowa; Karl J. Farup, Park River, N. D.; John L. Bougheter, Savannah, Mo.; George E. Whiteley, Marysville, Ohio; S. R. Smith, Jamaica, N. Y.; W. E. Campbell, South Bend, Ind.; T. Dorchester, Boston; G. H. Gray, Center City, Neb.; John M. Glasco, Charleston, Iowa; S. K. Warrick, Alliance, Neb.; W. E. Carpenter,

Brazil, Ind.; D. S. Shellbarger, Decatur, Ill.; J. S. Ulland, Fergus Falls, Minn.; Frank Jackson, Menomonie, Wis.; Charles Beacham, Farnhamville, Iowa; A. P. Nelson, Grantsburg, Wis.; E. J. Phelps, Kalamazoo, Mich.; J. M. Mitchell, Mount Carmel, Ill.; and F. L. Cook, Medford, Ohio.

New State Bank

The Stearns County State of Albany, Minn., has filed articles at \$12,000 capital. The stock is divided into 120 shares. The principal stockholder is W. J. Bohmer of Melrose. Others are John H. Welle, Melrose; Christ Welle, Freeport; M. H. Ness, Albany; R. H. Benning, Melrose.

Agricultural Movement Progressing Rapidly

Returning from Briarcliff Joseph Chapman, Jr., said:

"The Minnesota Bankers Association meeting at the state agricultural college in June where eminent men will be speakers, and the meeting of the committee on agricultural development and education later, will give Minneapolis much prominence this year.

"The executive council of the American Bankers Association was strongly in favor of an appropriation by congress to carry on the work of agricultural education undertaken by the bankers, and so expressed itself."

Twenty state bankers associations have already indicated that they are to be represented at the meeting August 7th and 8th in the Twin Cities under the auspices of the Minnesota bankers committee on agricultural development and education. Florida, New York and New Hampshire have named delegates.

J. W. Wheeler Addresses Meeting

In part Mr. Wheeler said as follows: "Agricultural education is to-day a national movement of very great importance to the country. We are far behind Germany in fitting the young for the occupation they are to pursue. Seventy-five per cent of our high school girl graduates get married five years after leaving school and only three and seven-eighths per cent have any training in household economics. The farmer represents a large part of the world's business, but he does not wield the influence that he is rightly entitled to. More must be done to encourage scientific farming and to increase the production of farms. The first agricultural school was started in Michigan in 1850, and now we have 875 such institutions in the United States besides extension work and agricultural training in the rural schools. To meet the demands of the rapidly growing population, which in 1950 will be 200,000,000, we must increase the present yield by one per cent every year. We must, like Germany, double the yield per acre."

Group 7 Elects Officers

Officers were elected by the seventh district group of bankers at Glenwood, Minn., May 14th, as follows: President, L. R. Moyer, Montevideo; vice-president, T. F. Ofsthun, Glenwood; secretary-treasurer, F. R. Putnam,

Morris; executive committee, D. W. Wells, Herman; Andrew O'Bryan, Graceville. President A. A. Bennett of Renville responded to the address of welcome by Mayor H. Shipstead. Addresses were made by Professor P. E. Miller of the agricultural school at Morris on "Better Seed Selection as a Factor in Crop Improvement"; L. R. Moyer, Chippewa County Bank, Montevideo, "Simplification of Land Titles and Improvements in Conveyancing"; J. W. Wheeler, St. Paul, "Agricultural Development and Education in Minnesota"; Secretary C. R. Frost of state association, "The Work of the Association"; J. A. Latta, Northwestern National, Minneapolis, "Monetary Reform." In the evening, at the banquet, the toasts were as follows "Our Hosts," M. J. Dowling, Olivia; "Some of My Experiences," C. D. Brown, Interstate Protective Association; "Recall of the Banker," R. T. Daly; "Medicine, Money and Mirth," Dr. J. Jeffers, Glenwood. The Glenwood male quartet sang.

Plan New Bank for Minneapolis

Bankers are identified with a move to form a new national bank in Minneapolis with \$250,000 capital and \$125,000 surplus. The bank is to be in the Masonic Temple at Sixth Street and Hennepin Avenue in the market and wholesale districts. Isaac Hazlett, director in the First National, and Vice-President C. T. Jaffray are interested. The stock is said to be nearly subscribed at \$150, and provision is made for more backing if required. Men representing the T. B. Walker-Hazen J. Burton real estate holdings in the vicinity are represented in the financial institution also. One of the younger men in a central bank is to be cashier.

"The new institution will open, if we close the lease, with the good will of the other large banks that are located in the financial district proper," Mr. Jaffray said. "It is the judgment of the men who have organized the new bank that there have not been sufficient banking facilities for that rapidly developing and already very important part of the city that is situated in the district adjacent to our proposed location. That district includes the produce and fruit trade center, the large wholesale establishments that have moved up, many important manufacturing establishments, and an important retail trade and general business, all of which is too far away from the existing banks."

Banking Miscellany

Good crop prospects are said to be the cause for advance in bank stocks on the Minneapolis exchange. The Security National went to 430, the Northwestern National to 280, and the First National to 280. Minneapolis Trust went to \$132.50.

Joseph Chapman, Jr., has been elected a governor of the University Club.

George F. Orde, J. W. Wheeler, N. F. Hawley and George C. Power are back in St. Paul and Minneapolis from the Briarcliff meeting.

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

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\$16,000,000**

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J. FURTH, Chairman Board of Directors

Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

Spokane

Spokane, Wash., May 14.—Two hundred and fifty thousand dollars is the amount of a bond issue asked by Fred P. Greene, president of the board of school directors of Spokane. The money is to be used for new buildings and improvement and extension of school facilities. J. Grier Long, Zack Stewart, D. B. Heil and Dr. Charles F. Eikenbary, members of the board are in favor of the issue, saying that new additions must be built at once in several districts. Mr. Greene said there is no question about the result of the special election, to be called by the city commissioners, as the people are cognizant of the needs of the school district.

Bond News

Bids for the sale of \$44,000 in bonds, authorized by the city council of Wenatchee, Wash., will be opened May 28th. The proceeds will be used in refunding general fund warrants. There also will be an election in June to vote on the issuance of \$30,000 water bonds to carry on the work of additions and alterations in the present water system.

Electors at Leavenworth, Wash., will decide the question of purchasing the present water supply and distributing system now owned by private individuals at a special election on May 21st. If the proposition is carried bonds will be issued for \$21,000 for the purchase and for \$19,000 for the making of proposed extensions and alterations.

Nineteen bids were received at Palouse, Wash., on May 6th for an issue of \$17,000 in 20-year refunding bonds. The Exchange Bank of Spokane offered par with interest at 5¼ per cent; the Union Trust and Savings Bank of Spokane offered a premium of \$187 with interest at 5½ per cent, and Causey, Foster & Co., of Denver, submitted a bid of \$212. There is talk of the council rejecting the bids and readvertising for bids on straight 20-year bonds, following a suggestion of some of the bidders that offers would be better with the 10-year option omitted.

R. D. Miller, representing Eggleston & Company of Spokane, presented a plan of issuing water bonds of \$180,000, at Coeur d'Alene, Idaho, on May 6th. The interest is placed at 6 per cent, the bonds to be paid semi-monthly out of a sinking fund created from the water revenue of the plant. The present water revenue of the plant is \$30,000 annually. Two years ago the taxpayers defeated a plan to bond the city for \$134,000 for the purchase of a plant.

Finds Conditions Good

E. Lewis Rutter, vice-president and general manager of the Spokane and Eastern Trust Company, said on returning from a trip of 500 miles through the wheat belts of eastern Washington and northern Idaho, that conditions everywhere bear out the optimistic attitude of the people. The banks, he added, have large deposits and the cash reserves are larger than ever.

C. R. Gray Resigns

Carl R. Gray of Spokane and Portland, president of the Spokane & Inland, Spokane, Portland & Seattle and other Hill electric

and steam railroads in the Northwest, has resigned, effective May 20th, to become president of the Great Northern Railroad to succeed Louis W. Hill. He will be succeeded by Joseph H. Young, president of the Northwest Commercial Company.

BANKING IMPROVEMENT IN MINNESOTA

K. S. Chase, superintendent of banks in Minnesota, writes:

"In order that you may know what this department has been doing during the past year, I submit a comparative statement showing the condition of 696 state banks on January 7, 1911, which was five days after I took charge of the department, and the condition of 741 state banks on February 20, 1912, which was the date of the last report called for from the state banks in Minnesota. You will notice that on January 7, 1911, 696 state banks had 'bills payable,' and 'notes rediscounted' to the amount of \$991,502.16; and that on February 20, 1912, 741 state banks had \$790,186.69 of 'bills payable' and 'notes rediscounted,' making a reduction of over \$201,000. You will notice, too, that the overdrafts have been reduced almost \$300,000, both of which items, it seems to me, show that the condition of the banks has improved during the year.

"There has been a large reduction in the amount of 'other real estate owned,' although the comparative statement shows an increase of \$21,187.05. The reason is that a year ago

a large number of the banks were not carrying their holdings of real estate in this account, but were covering them up in one way or another. The holding of real estate is now carried openly and reported as it should be on the statements of the several state banks.

"You will notice that the 'deposits subject to check' have sustained a loss on this statement of approximately \$2,000,000. This is accounted for from the fact that on January 7, 1911, the savings deposits were not segregated, and were reported as 'deposits subject to check.'"

Mr. Chase feels hurt that the press of the country (including THE CHICAGO BANKER) located the failed Bank of Remsen in his territory, when, as Mr. Chase says, "It was wholly outside of Minnesota." He doesn't wish to be held responsible for conditions outside of his jurisdiction.

HEARD FROM THE VISITORS

C. D. Crites, cashier of the First National Bank at Lima, Ohio, and Henry Lennartz, cashier of the Citizens Banking Company, Celina, Ohio, stopped in Chicago on Friday on their way home from a business trip to Texas and other southern states. These gentlemen report crop conditions as promising, and the general business situation as improving. Clarence E. Smith, president of the Peoples Bank at Waukegan, was a Chicago caller on Friday. He says that there is splendid prospect for an improvement in business conditions in his locality. The management of the Corn Products refining plant at Waukegan has announced its intention of operating that plant shortly to its full capacity, which will be a decided advantage to Waukegan's business prosperity.

NEW ILLINOIS BANKS

A permit has been issued by the state auditor to A. G. Karpinsky, P. V. Hartman, Gottlieb Eggert and Emil H. Yabusch for the organization of the State Bank of Lyons, to be located at Lyons, Cook county. The capital stock is \$25,000. An application has been received to organize the First National Bank of Annapolis, capital stock \$25,000. The new institution is to succeed the Johnson & Co. bank of that city.

NEBRASKA STATE BANK AT LINCOLN

M. W. Folsom, president of the Nebraska State Bank of Lincoln, visited Chicago on Wednesday of this week. This bank was opened for business on January 7th, 1911. Its deposits, as shown under the last call of the Nebraska state banking department, are in excess of \$600,000, making it the largest state bank in Nebraska. C. H. Beaumont is cashier of the institution and both he and Mr. Folsom have had banking experience in other sections of Nebraska. Mr. Beaumont having served as state bank examiner for several years.

GREETINGS FROM HENRY S. HENSCHEN

Friends of Henry S. Henschen, cashier of the State Bank of Chicago, are receiving post-card reminders, sent by Mr. Henschen from abroad. At last writing he was in Brussels.



The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

—OFFICERS—

D. W. TWOHY, President
T. J. HUMBIRD, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, J. A. YEOMANS,
Assistant Cashier Assistant Cashier
W. J. SMITHSON, Assistant Cashier

Guaranteed Irrigation Bonds. Guaranteed Water Works Bonds. Public Service Bonds. Municipal Bonds.	J. S. & W. S. KUHN INCORPORATED INVESTMENT BANKERS FIRST NATIONAL BANK BUILDING CHICAGO PHILADELPHIA	There never has been a day's delay in the payment of either the principal or interest on any bond we have sold.
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CHICAGO CHAPTER, A. I. B., HAS WORLD'S CHAMPION

By OTTO J. KRAMPIKOWSKY.

The adding machine contest held Tuesday evening, May 14th, by the chapter was well crowded. The Burroughs Adding Machine Company as well as the Wales Adding Machine Company had a number of their hand as well as their electric machines on hand for this contest. There were twenty-five entries from the various banks, and a peculiar coincidence is the fact that out of the six prizes distributed by the Burroughs and the Wales Company (each contributing proportionately), five of the prizes were bestowed on clerks of the Continental and Commercial National. Great interest and applause was given to Chas. E. Johnson, of the Continental and Commercial National, while adding up his checks, and he is now the "World's Champion" (using an Electric Burroughs), adding 250 checks in the space of 3.14 minutes. The best previous record was made by a man in London, England, whose name is not at hand, whose time was 3.22 minutes for 250 checks. Mr. Johnson, as soon as he was advised of the result of his winning the world's championship, was delivered a challenge from Harry Reynolds, which has been taken under advisement. In the 500 check adding machine contest, John T. Gallagher, of the Continental and Commercial National, added up the 500 checks, with a correct total, in 7.03 minutes on the Electric Wales. The winners of the 250 check as well as the 500 check contest are as follows:

250 Check Contest	Time in Minutes
Chas. E. Johnson, Cont. and Coml. National (Electric Burroughs).....	3.14
John T. Gallagher, Cont. and Coml. National (Wales)	3.27
V. Venema, Cont. & Coml. National (Hand Burroughs)	3.35
500 Check Contest	
John T. Gallagher, Cont. and Coml. National (Electric Wales)	7.03
Jos. J. Engelbreit, National City (Elec- tric Wales)	7.03½
V. Venema, Cont. & Coml. National (Hand Burroughs)	7.04

At the close of the contest the members extended a vote of thanks to Herman E. Ellefson, of the Continental and Commercial National, who was chairman of the adding machine contest, for the splendid manner in which he had everything arranged, as well as the judges and timekeepers, who were composed of the following:

Judges

Geo. A. Jackson, Continental and Commercial National.

E. F. Schoeneck, Corn Exchange National.

Timekeepers

J. H. Ashley, Corn Exchange National.

Guy Wickes Cooke, First National.

John Drummon, First Trust and Savings.

David Johnstone, Union Trust Company.

Joseph J. Schroeder, National Bank of the Republic.

Walter Johnson, National Bank of the Republic.

Chapter News

Out of the 56 who took the examination in negotiable instrument law, 46 passed, two of whom got a percentage of 100. These were Roy E. Wilson of the Chicago Savings Bank and Frank E. Lindston of the Chicago Clearing House Association.

Forty-six (46) members handed in their petition for nomination as delegate to the Salt Lake City convention, and will be voted on at the election May 28th (Tuesday). The follow-

SECURITY STATE, SHAWNEE, OKLA.

F. V. Askew, the recently elected vice-president of the Security State Bank of Shawnee, Okla., is one of the rising young men in Oklahoma banking circles. He was an official of the Shawnee National Bank for a number of years, resigning in 1910 to accept the presidency of the Farmers State Guaranty Bank of Lexington, Okla., which institution, under his management enjoyed a period of unprecedented prosperity.

Disposing of his interest at Lexington at a handsome profit, Mr. Askew and associates on March the 20th, purchased controlling interest in the Security State Bank of Shawnee, Okla. The Security State has the well earned reputation of being one of the most conservative banks in the state, and its growth, since its organization two years ago, has been phenomenal.

We predict continued growth and prosperity under Mr. Askew's able management, as W. S. Search and B. B. Brundage continue with the bank as president and cashier.



F. V. ASKEW
Vice-President Security State Bank, Shawnee, Oklahoma

ing are the names of the members who were nominated for the various offices for the ensuing year, and will also be voted on at the coming election, Tuesday, May 28th. For the office of financial secretary, treasurer, and the three positions on the executive committee, there is only one member nominated for each office, and there will therefore be no competition at the election:

For president—Walter Johnson, National Bank of the Republic; John W. Rubecamp, Corn Exchange National.

For vice-president—Chas. W. Alison, Northern Trust; Otto J. Krampikowsky, Continental and Commercial National; F. E. Musgrove, Illinois Trust and Savings.

For corresponding secretary—William J. Bruebach, Merchants Loan and Trust Company; Wilbur W. Walton, Continental and Commercial National.

For financial secretary—Bruce Baird, First National.

For treasurer—John C. Cosgrove, Jr., National City.

Executive committee—1 year term, Claude Edmonds, Northern Trust, Lee A. King, National City; 3 year term, Guy Wickes Cooke, First National.

During the past year the membership has been steadily growing and it is to-day nearing close to 1,000 members. Last year the total membership was approximately 625, while to-day it is 950, the credit for the increase in membership being due to the hard and earnest work of Harry S. Smale, chairman of the chapter, as well as Walter Johnson, chairman of the membership committee.

Bankers Night at Cort Theatre—Friday Evening, May 24, 1912

The Cort Theatre has made a special inducement to the chapter to give a performance on Friday, May 24th, in behalf of the members of Chicago Chapter. "Ready Money," as the play is called, is a tremendous success, and as the chapter receives a profit of 25 per cent on all tickets sold, and as the profits so received are to be used for the entertaining of the incoming delegates en route to Salt Lake City convention in August, it is earnestly hoped that all officers as well as clerks see the performance on Bankers' Night. Several hundred tickets have already been sold, and there is no question but what the house will be sold out within the next week.

MEETING IN LONDON

Permanent International Association of Road Congresses meets in London, England, June 23d to 27th, 1913. The first section of the program includes construction and maintenance and the second section traffic and administration. W. G. Edens, assistant secretary of the Central Trust Company of Illinois and president of the Illinois Highway Improvement Association, has been invited to attend this important congress, and is being urged to secure the attendance of others from the United States who are interested in these important subjects.

JOHN McHUGH - President
 JOHN J. LARGE - V.-Pres.
 W. L. MONTGOMERY, V.-Pres.
 HENRY G. WEARE - V.-Pres.
 F. A. McCORNACK - V.-Pres.
 H. A. GOOCH - Cashier
 O. D. PETTIT - Asst. Cashier
 FRITZ FRITZON, Asst. Cashier

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 BUSINESS AND OFFER
 YOU EXCEPTIONAL
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Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
 Excellent Collection Facilities

ARTHUR REYNOLDS, President
 J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
 C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
 W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
 C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
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An Up-to-Date, Conservative, Commercial and
 Savings Bank that Makes a Specialty of
 Collections and Bank Accounts

Largest Bank in Clinton
 County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITORY

ESTABLISHED
 As a Private Bank, 1877 As a National Bank, 1887
 35 years of continuous, conservative and successful banking

OFFICERS
 RALPH VAN VECHTEN, President
 GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
 KENT C. FERNAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

At a special bonding election at Metairie Falls, Wash., recently, the voters of the school district authorized the issuing of bonds of \$20,000 to build and equip a school building, only 13 of the 96 votes cast being against the bonds.

Des Moines, May 15.—It is quite evident that the contest for treasurer of the Iowa Bankers Association is going to be one of the prettiest ever staged at a state convention. There are now four entries in the race. They are E. L. Stickney of the First National, Moulton; Frank Epperson, Manning & Epperson State at Eddyville; H. C. Gates, Ladora Savings, Ladora; C. R. Hannan, Jr., First National, Council Bluffs. Mr. Hannan was endorsed by the bankers of Group 5 at the meeting at Council Bluffs last week. He is the son of C. R. Hannan, Sr., one of the best known bankers in Iowa some years ago and an active worker in the cause of the I. B. A. His father died in the east. The other three candidates are from southeastern Iowa. As Cedar Rapids is in the eastern section of the state the delegates from this section will be many, and whichever pulls most from the other sections will gather the plum. Charles Shade, president of the First National at Rock Rapids, will have no opposition for president of the I. B. A. and P. W. Hall of Des Moines will have no opposition for secretary. It is hinted that if one of the candidates for treasurer will withdraw he can be elected vice-president. Anyway, it is expected that one of the defeated candidates for treasurer will be elected to that position. In the meantime, preparations for the Cedar Rapids convention are proceeding apace. Expectations are for a big crowd. The Des Moines bankers are going in a special car. They are also going with the firm intention of securing the convention for the next year, although Ottumwa, Fort Dodge and Davenport are active contenders.

New Railroad from Omaha to Des Moines

According to word which has reached Des Moines, Leslie M. Shaw has been successful in getting English capital interested in the purchase of the Atlantic North and South Railroad, which means that a railroad is to be built from Omaha to Des Moines. The road was thrown into the hands of a receiver and was ordered sold by the court at an appraised value of \$402,000. Efforts to secure money on the bonds seemed to be fruitless. However, Mr. Shaw took a trip to London, and it is said he was entirely successful in securing the required amount. The Atlantic North and South has had troubles of its own, but it is thought these are now ended.

Eugene Sullivan Elected Chairman of Group 5

His activity in chasing to earth the man who attempted to rob the Panama Savings at Panama secured the chairmanship of Group 5 for Eugene Sullivan of Panama. Mr. Sullivan was secretary of the group, but his associates voted that he should go a step higher and he was made chairman. Mr. Sullivan was one of the group who gathered with in the bank at Panama the night of the robbery and unloaded his shot-gun in the face of the would-be yegg. H. M. Silsby of Missouri

Valley was chosen secretary. The executive committee consists of E. E. Hart, C. E. Price, Theodore Laskowski of Council Bluffs; B. B. Clark of Red Oak; H. I. Foskett of Shenandoah. One of the features of the meeting of the group was an address by Emmet Tingley of Council Bluffs, who was one of the attorneys appointed by the I. B. A. to assist in prosecuting the Panama yegg, and he gave a most practical address on the protective work of the association. Henry Meyer, assistant cashier of the National City of Chicago, spoke on the Aldrich currency bill, and Carl Kuehnle of Denison spoke on the relations of the banker to the public. The program in detail was given in last week's issue of this paper.

A. F. Dawson Advocating Currency Plan

A. F. Dawson, the well known Davenport banker, has been doing some good evangelistic work for the Aldrich currency plan. Heretofore this has been left to Arthur Reynolds of the Des Moines National. However, Mr. Reynolds has been busy as chairman of the executive council of the A. B. A., and Mr. Dawson is doing some effective missionary work. Recently he addressed a crowd of interested business men at Cedar Rapids and was given the closest attention. A question box followed his speech, and the measure was thoroughly explained.

Group 2 Meeting

Group 2 held an interesting session at Fort Dodge on Wednesday of last week. Agricultural topics were prominent in the program and the bankers showed an acute interest in the question of the financier as related to the agriculturist. J. H. McCord of Spencer advocated that the farmers who wish to build silos and are short of cash be loaned the money for that purpose without interest. The program throughout was interesting and about ninety live wires attended the sessions. E. W. Townsend of Fort Dodge was chosen chairman, and J. F. Hutchinson of Rockwell City secretary. Charles Shade of Rock Rapids was endorsed for president of the Iowa State Bankers Association. P. W. Hall, secretary of the state association, was a guest, and spoke.

Resolutions Passed at Group Meetings

The propositions of J. H. Ingwersen of Clinton for changes in the Iowa banking laws are meeting with favor over the state. Several groups last week adopted resolutions favoring the passage of a law which will permit the Iowa bankers to loan money on real estate outside of Iowa. Group 6 at its session at Colfax passed a resolution along this line and so did Group 8 at Clinton. Group 8 also endorsed a resolution presented by A. F. Dawson of Davenport, requesting congress to take action in enacting a new and adequate currency law. The resolution says that the currency system should measure up to the needs of the nation's expanding business and afford

immunity from disastrous financial disturbances of the past with their enormous losses to the business men, the producers and the wage earners of the republic. Group 8 also went on record in favor of a law that will permit banks to act as trustees, executors and guardians of the interests of minor heirs. The bankers also expressed their belief that the state auditor should arrange to issue calls to correspond with the calls issued for the national banks. J. W. Richman of Grand Mound was re-elected chairman and F. L. Butzless of Charlotte was chosen secretary. Charles Shade's candidacy for president of the I. B. A. was endorsed.

Group 6 Holds Meeting at Colfax

The bankers of Group 6 departed from their usual custom of holding their sessions in Des Moines. This year they met at Colfax. The attendance was large and the program interesting. Dr. McElweene of Chicago was employed to entertain the bankers and he did it to perfection. Prof. Brindley of Ames, an authority on questions of taxation, was another speaker prominent on the program. Simon Casady, president of the Central State of Des Moines, also spoke. The members of the group endorsed the movement for a law to permit Iowa bankers to loan money on real estate located in other states than Iowa. The associated banks of Jasper county were hosts to the guests, and the sessions were held at the beautiful Hotel Colfax. Registration was at 10:30 in the morning. Luncheon was served at 1:30. Then came the business meeting. A. E. Hindorf of Newton was re-elected chairman and S. J. Pooley of Grinnell was re-elected secretary. There are now but two group meetings to be held. Northwood, May 15, and Lamoni, May 17, will wind up the series.

Buys Iowa National Stock

An important transfer of bank stock occurred in Des Moines when J. H. Cownie of this city purchased 672 shares in the Iowa National from E. K. Butler of Chicago at \$300 per share. Two years ago, Mr. Cownie had an opportunity to purchase the stock at \$84,000 but he refused. E. C. Finkbine is the heaviest individual stockholder in the institution with 1,200 shares. Mr. Cownie is now second with 1,100. Mr. Butler held 1,300 and has over 500 left.

Bank Clearings High

Bank clearings in Des Moines set a new high mark when they increased \$1,291,217.11 for the week ending May 11, as compared with the corresponding week last year. The total for the week was \$5,260,793.83, while for the corresponding week last year they were \$3,969,576.72. This is considered an excellent showing by the officers of the Des Moines clearing house association, and it is one of the biggest weekly gains in many months.

Peoples Savings of Des Moines

The Peoples Savings of Des Moines enjoyed its twenty-second birthday on May first. This institution is in the same location as when it first started but it is now in a seven story block of its own. C. H. Martin, president, was first cashier of the bank and served at that desk for ten years. Frank P. Flinn, now vice president, was messenger boy twenty-two years ago, and E. A. Slininger, present cashier, has been with the institution for eighteen years. The bank began in its new quarters with a capital stock of \$50,000 but it now has twice that much and \$150,000 of surplus and \$2,500,000 of deposits.

Iowa Banking News

The first serious accident to mar the construction of the Central State new building on Fifth Street, Des Moines, occurred when C. B.

Grahl, one of the metal roof contractors, fell off the building to the ground. He was badly hurt but will live. His brother fell eleven stories to his death while working on the Fleming block some years ago.

G. E. MacKinnon, president of the Mechanics Savings, has a severe case of whooping cough and his friends have been dodging him for some days past, fearing contagion. However, his sickness has not prevented the active beginning of the new building for the Mechanics, diagonally across the street from the Central State. The two buildings on the site for the new bank are now being razed.

Christ J. Kemming, assistant cashier of the Crawford County State at Denison, succumbed to an attack of appendicitis after he had been in the hospital for six weeks in search of relief. Kemming was very popular and the leading business houses closed during his funeral.

Fred Haynes, former cashier of the bank at Rudd, is held responsible for the loss of between \$12,000 and \$13,000 by that institution in a finding of Judge Kelley of the district court at Mason City. Col. W. A. Burnap, a Clear Lake accountant, was put to work on the books and found as above. Haynes appealed but the court sustained the accountant. Haynes has been indicted for embezzlement.

Waterloo bankers are having trouble with women again. Last week they arrested a woman forger and now it is reported a bunch of women floated a number of lead dollars in that city and escaped. Parties suspected have not been arrested at this writing.

The comptroller of the currency has granted permission for the organization of the First National at Rockwell City. The capital stock is \$25,000. The organizers are G. H. Felt-house, F. C. Siegfried, W. B. Bruce, M. Dexter, W. A. Grummon.

Word has been received by Iowa friends that Ralph Stacy, formerly a banker in central Iowa, has been elected head of the Pacific National at Tacoma. The institution is said to have deposits of \$4,000,000.

The Security Savings of Cedar Rapids has filed amendments to its articles of incorporation increasing the capital stock from \$150,000 to \$200,000. This is one of the strongest institutions in Iowa and its growth has been remarkable.

E. E. Cling has succeeded C. D. Waterbury as cashier of the First National at Dayton. Mr. Cling was assistant cashier prior to the resignation of Mr. Waterbury.

The Des Moines bankers have received word that the Farmers and Merchants at Milton has suspended business. The death of A. W. Bell, one of the partners in the institution, is stated as the reason.

S. P. Mott has been chosen cashier of the Iowa State at New London to succeed Cashier McGrew, resigned, and George Drorsky has been chosen cashier of the Commercial Savings at Iowa City to succeed J. U. Plank, resigned.

P. J. Jacobson is the prime mover in a new bank which it is said is to be formed at Gilman. This will be the third institution in the city.

The Commercial Savings at Washington has filed articles with the secretary of state giving capital stock of \$100,000. The incorporators are H. C. Hull, D. J. Ross, F. R. Sage and others.

The Clayton State has been granted a charter and has started out with a capital stock of \$25,000. Albert Johnson is president and L. D. Johnson is cashier.

Sioux City

By JOHN J. BIDDISON.

The Northwestern National is considering plans for the addition of several stories to its bank on the corner of Fourth and Pierce streets. The bank has probably the best location in the city but has on it only a two-story structure. The increasing value of the ground on which it stands makes it a serious question whether the property is yielding the income that might be expected of it. The adding of three or four floors would make the building commensurate with the others at the same intersection.

Culmination of a "Camera Romance"

The most important instance in a "camera romance" took place last week when Chas. X. Hopkins, a bookkeeper in the Northwestern National, took a day off from his duties and was married to Miss Alva A. Mitchell, a young woman of this city. He got his first view of his bride through the lens of a camera. Their mutual fondness for photography was the means of their acquaintance and marriage.

Banking News

The group meeting of bankers of Beadle, Spink, Miner and Kingsbury counties, South Dakota, held at Huron, resulted in the election of the following officials: President, H. I. Olston, Lake Preston; vice-president, R. J. Steffin, Hitchcock; secretary-treasurer, E. T. Bratrud, Roswell. The following executive committee was named: John Pitzkau, Redfield; D. E. Adkins, Carthage; C. R. Bond, Esmond; Fred Gellerman, Cavour.

As a farewell token of esteem, a group of Sioux City bankers have presented to Rev. Father T. J. McCarty, of Sioux City, a silver service. Those who participated in the gift to the popular priest were: J. A. Magoun, Geo. S. Parker, Jas. F. Toy, T. F. Harrington, E. T. Kearney.

A new bank, to be known as the Wayne County Bank, has been organized at Sholes, Neb., with the following officers: W. H. Root, president; A. E. McDowell, vice-president; B. Stevenson, cashier. Mr. Stevenson is formerly from Verdigris and has had banking experience. The bank has \$10,000 paid up capital. It took in \$800 on deposit the first day.

The Cushing Savings, of Cushing, Ia., has increased its capital from \$20,000 to \$30,000.

The strange action of a traveling salesman while in the office of the Redfield National at Redfield, S. D., led to an investigation that revealed the man, who was identified as C. E. Burnett, of Joliet, Ill., who had suddenly lost his memory. The bank officials caused him to be taken into keeping until his house could be apprised of his condition.

The annual meeting of the Iowa State Savings Tuesday night resulted in the re-election of the following officers: John McHugh, president; Henry G. Weare, vice-president; L. H. Henry, cashier. The report for the year was favorable.

Christ J. Kemming, assistant cashier of the Crawford County State, Denison, Ia., died in a hospital there on May 4th, where he had been taken six weeks prior for an operation for appendicitis. The leading business houses of the city closed their doors while his funeral was being held.

Sioux City bankers are being represented at the meeting of the executive council of the American Bankers Association by W. P. Manley, president of the Security National.

The Ames Savings has purchased a property at Main and Kellogg streets and will erect a modern bank building.

Banker and Farmer Work Together in Oklahoma

President T. J. Hartman tells the Tulsa convention of banking conditions and what is being done by the association and the groups for the prosperity of the state and her people

Sixteen years ago a small body of bankers met in Guthrie and organized the Oklahoma Bankers Association. These sturdy pioneers, from the states, foresaw that much good could be accomplished and much service rendered by banding themselves into an association for education, protection and mutual advancement. It was the belief of those pioneer bankers that if they would give the best service to their customers it must be done through organization and adoption of good sound banking principles. That the organization perfected by them has met with utmost success is demonstrated by the large number of bankers present to-day. The association has grown from less than a dozen members in 1895 to 900 at the present time—a most phenomenal growth. There are only 29 banks in Oklahoma non-members. Last year at convention there were 55 non-members. Never in the history of this association has the membership been so nearly unanimous.

The object of this association is to promote the general welfare and usefulness of banking institutions, and to cultivate the acquaintance of our correspondents and customers. Every bank in the state should be a member and all work together in a spirit of harmony toward a successful goal. It is to be hoped that the banks that are not now members of this association will soon see the error of their ways and join with us in building up the best association of any state in the Union.

Your secretary is a real live wire. He is giving your association good, honest conscientious service, and has been untiring in his efforts for the promotion of our interests, and special credit is due him for the success of the association during the past year. The fact that our association shows \$1,500 more earnings than at this date one year ago speaks well for his ability. I have just passed through a severe illness, during which time he has carried my load as well as his own, and I wish to publicly extend my thanks to him.

The secretaries of the various groups have been working faithfully to secure new members, and perfect county organizations, thus better providing for local conditions. A great deal of personal work has been carried on by them. To G. D. Davis, secretary of Group 4, is due credit for having every bank in Group 4 a member of the association. Your officers have presented Mr. Davis with a fitting memento for his most able service to this association. Slowly but surely the sheep are gathered into the fold where they can feel secure from the howl of the hungry wolf,—the bank burglar, who well knows the consequences of an attack on a member bank. Little did those pioneer bankers think when they were perfecting this organization that it would resolve itself into a detective bureau, and that fifteen years hence the secretary of the O. B. A. would make Oklahoma a very unhealthy place for the yegg and the bad check artist. The service rendered by your association back in the early nineties were meagre indeed. Your association was poor and not able to partake of the many benefits of organization. Your membership was too small to afford a salaried secretary. As a consequence much of the good to be accomplished by association work was not undertaken. Now you have a secretary who receives a good liberal salary and who devotes all of his time for the upbuilding of this association, and the grievance of each and every member is given most careful consideration.

I had the pleasure of attending all of the group meetings which were held in February. I believe I can truthfully say they were the best ever held in the state. Here in Oklahoma we have had a common grievance,—scarcity of feed for live stock. Your executive committee, realizing that the banker prospers only as the farmer prospers, and that the farmer is the real producer, and further realizing that the basis of any live stock loan should carry with



T. J. HARTMAN
Retiring President Oklahoma Bankers Association, Sulphur,
Oklahoma

it sufficient feed to carry such live stock until a new crop could be produced, sought a remedy for the evil. J. B. Adams, cashier of the Butler County Bank of El Dorado, Kansas, kindly consented to attend our group meetings and tell us what Kaffir corn has done for Butler county, Kansas. He addressed every group in the state and was met everywhere with enthusiasm and the most careful attention. His message was a new one to most bankers in Oklahoma, but his sincerity of purpose and recital of facts left no room for doubt. I fully believe that Kaffir corn and its relation to the banker as presented by Mr. Adams will do more for the upbuilding of the banking condition and the prevention of another feed famine in Oklahoma than anything yet attempted in this state. The bankers who were so fortunate as to hear this lecture fully realize its import. This address was printed in pamphlet form, and 140,000 have been distributed by member banks to their customers. Mr. Adams gave his service gratuitously to this association. He gave his time and experience, and he will always receive a hearty welcome in Oklahoma.

Hon. John Fields of the Oklahoma Farm Journal also volunteered his service and at-

tended each of the group meetings. His address, "The Co-operation of the Banker and the Farmer," was met with enthusiasm. He gave his time and talent for the good of the cause in Oklahoma, and if the acreage of alfalfa, Kaffir corn and Bermuda grass is doubled in 1912, Mr. Fields will feel that his efforts were not in vain.

Business conditions depend upon development along agricultural and industrial lines. Co-operation of the banker and farmer is necessary. The past year in Oklahoma has been a discouraging one for the farmer and in turn has reacted against the banker. In some localities the crops were a total failure. The bankers in these sections have had their trials and tribulations but the farmer has had the bulk of the burden to bear. The movement by the bankers over the state to help the farmers realize the importance of crop rotation and diversification whereby the general conditions would be bettered and larger crops produced is a worthy one.

We are advancing to a higher plane in the relation of man to man. We know that consideration for others is productive of human happiness. Real progress is when man can learn to "give and take," "live and let live," and this broadening spirit is growing rapidly among men in business. A really successful banker must be something more than a machine. He comes in contact with every form and phase of life. He learns to study people and their needs. However engrossed in business a man may be, he must extend his mental horizon beyond the confines of his own office and realize there are many things still worth while outside. He should not forget that his patrons have the same hopes, the same struggles, the same burdens and the same rights as himself. He should realize he is a citizen of the state to which he also owes responsibilities and duties. By helping the farmer of his community he is adding to the assets of the state. A man must be big and broad for his business to reflect it. In this practical age we lose sight of the ideals and the things given us to enjoy. The banker should realize that there are other things in life that should command his attention besides mere money making. A man will be all the stronger for his struggles in the business world for having an occasional visit with the farmer of his community to enjoy the woods and streams and the big out-doors. In our mad race for money we lose sight of a great many excellent things along the way. You all know how easy it is to follow in the "calf path" of our fathers. We are prone to stick religiously to one certain way of doing a task simply because it has been done that way for centuries. This reminds me of my visit a few years ago to the home of my childhood. When I was a boy there was an old tin sign at a cross-roads which read, "Pleasanton 7 miles." I see that old sign still points religiously in the same direction, but instead of a road it now points towards a field. The road has been closed for many years. A great many of us are like that old sign. We stick to our task and do it the same old way unmindful of another and better way. I do not mean to advocate that we should be looking around for some new way of doing our work, but that we should be willing to give new methods a fair and impartial trial.

I hope the co-operation movement as inaugurated by our committee will meet with the

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Cashier

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Security State Bank

SHAWNEE

OKLAHOMA

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Capital
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March 3, 1910, opened for business
 March 29, 1910, Deposits \$72,412.90
 June 30, 1910, Deposits \$100,813.71
 Sept. 1, 1911, Deposits \$157,783.49
 Dec. 5, 1911, Deposits \$196,993.33
 Feb. 20, 1912, Deposits \$205,811.20
 April 18, 1912, Deposits \$218,827.14

Surplus
and
Profits
\$5,900.67

OFFICERS

W. S. SEARCH, President
B. B. BRUNDAGE, Cashier

F. V. ASKEW, Vice-President
C. R. WALLACE, Assistant Cashier

We solicit accounts of country banks in this section. Our facilities for handling their items at par are unexcelled

approval of this association. I do not feel that it is an innovation. The banker produces nothing. He only helps the other fellow to produce. If the campaign carried on by this association during the past year will result in bringing the farmer and banker in closer relation with each other and encourage crop diversification, I will feel that some good has been done.

I wish to thank each and every banker who has been instrumental in helping to make the association work a success during the past year. You have been faithful workers, and I have had the hearty co-operation of all our members. The association work has been a great pleasure to me, and the spirit of harmony that has prevailed during my administration is very gratifying to me.

It is indeed a pleasure to be entertained in this beautiful little city, located as it is in the richest oil and gas belt in the world, where but a few years ago the only sound to break the stillness of the night was the howl of the coyote and the ripple of the Arkansas. Here, where fortunes are made in a day; where the god Midas is succeeded by the god Oil, Tulsa is often spoken of as "The City of Wealth." It is altogether fitting and proper that we should meet here, that by association we may be better able to learn from you the art of making money. Your magnificent hotel and beautiful office buildings are monuments to the pluck and energy of your citizenship.

We have again met in annual convention. We have come together for the purpose of interchanging ideas and communing one with another. I am sure that much good will be accomplished. Your officers have made every possible effort to give you the best talent that could be procured to make this meeting a success. I note that the good people of Tulsa have provided well for the inner man, with those things that make life worth living. Drop for to-day the busy cares of life so that you may appreciate the splendid entertainment to be given by our host and enter well into the glories of the feast, realizing that the day is not far distant when you must surrender the work you have so nobly advanced to the boy who is the companion of your declining years. I give it you strictly in charge to throw off the fetters which bind you to that dingy dungeon in which you have so often conferred the third degree on some unsuspecting borrower, and enter into the pleasure to be derived from association with your fellow man. Let each

and every one of you enter into the spirit of the game and return to your task with renewed hope and determination to give to life the best you have in store.

HOW NEW ALABAMA BANKING LAW WORKS

(Continued from page 9)

grand jury refused to indict. The solicitor stepped aside, and the governor, at my request, allowed me to employ special counsel. A special term of the court convened a few weeks after the adjournment of the first. Again an examiner appeared before the jury. Special counsel was on hand in place of the solicitor. A full investigation was had and special instructions were given the grand jury in the case by the judge. Result again, no indictment. Is it a wonder that the national bank at this place claimed to have gained largely in deposits as the result of this fiasco, this miscarriage of justice? Gentlemen of the Bankers Association of Alabama, it is your duty to educate, if you can, a more determined public spirit for the enforcement of crimes against banks and banking in Alabama. Your influence is strong enough in Alabama to accomplish much in this direction. Let me urge on you to cultivate in your homes a greater respect for the enforcement of all laws and especially the laws that are essential to the protection of banks.

The Blue Sky Law Commended

"I am in favor of a law for the regulation and control of investment companies, both foreign and domestic in this state, similar to the law now in force in the state of Kansas and commonly known as 'The Blue Sky Law.' This law briefly is as follows: Before any company or concern, either domestic or foreign, can do any business in the state of Kansas, or offer for sale any stocks, bonds, or other securities, they must submit to the banking department a sworn statement, showing a full and complete history of their affairs and exhibiting a copy or description of the security they propose to sell. The commissioner of banking must examine into these matters fully and, if satisfied with the genuineness of the concern, and is reasonably sure that the securities proposed to be sold offer a fair opportunity for a proper return, he must issue a certificate to that effect, stating in said certificate that he in no wise recommends the securities, or advises the purchase thereof.

Once a year these concerns are required to file a sworn report of their condition with the commissioner of banking and he may examine into the affairs of the concern like examining a bank. All expense of the examination is borne by the investment concern. Heavy penalties are imposed for engaging in business without a permit from the commissioner of banking, and for failure to file sworn statements each year. My investigations show that this law has been productive of much good in Kansas. A similar law is badly needed in Alabama. I am told that Alabama is regarded as the very best field for the operation of the fake investment seller. Many thousands of dollars are annually invested in wild-cat stocks, bonds and other so-called securities, most of them out of the state investments. The bankers are deeply interested in abolishing this evil from the state. Much money is annually withdrawn from banks for these fraudulent schemes, and legitimate investments suffer. You should see to it that the next legislature passes a law to regulate and control this evil. Whether this law should be under the supervision of the banking department or under the supervision of the secretary of state's office, I am not prepared to say; and, in fact, this is a matter of detail that is of little moment. I promise you to lend all my energy to aid you in securing the passage of this law, should the legislature convene in extra session. And, if it should fall to me to administer this law, I promise you to drive these swindlers out of your borders, as Mr. Dole of Kansas has driven them out of his state."

KANSAS CITY DEFICIT

Edward P. Moxey and Gardiner W. Kimball, of the firm of Edward P. Moxey & Co., Philadelphia, certified public accountants, have returned from Kansas City, Mo., where they recently have completed an investigation of the books of the city comptroller and the city auditor, for the purpose of determining the amount of the deficit in the general funds of the city at the close of the fiscal year ending April 15th. Their examination reveals the fact that the city had expended up to that time, according to the comptroller's books, \$816,490.49 and according to the books of the auditor \$818,648.81 more than the revenue of the city. This money was drawn from the city treasury and represents moneys of the bond, sinking and other special funds.

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FOR SALE—Miscellaneous

1-A Reflex, focal plane shutter, Celorix-inch lens. Cost \$84.50. Like new, \$45.00. Address, X-44, Chicago Banker.

1-A Graflex, 1C. Tessar lens, focal plane shutter (new out of stock), value, \$101.50. Sell, \$85.00 Cash. Address, X-55, Chicago Banker.

4x5 Goerz-Argo, latest model. Celor lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$105.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale. 94-inch Goerz Dagor, Volule shutter. value \$97.50. Sell for \$50.00, like new. Six-inch Dagor, Koilos Shutter, new. Cost \$65.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale. Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c.

The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50.

This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.90.

Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safeguard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20.

A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

History of Banking in the United States. John Jay Knox. \$5.00.

Practical Banking. Claudius B. Patten. \$5.00.

Modern Banking Methods. A. R. Barrett. \$4.00.

Elements of Foreign Exchange. Franklin Escher. \$1.00.

Gold Production and Future Prices. Harrison H. Brace. \$1.50.

Pushing Your Business. T. D. MacGregor. \$1.25.

Economic Causes of Great Fortunes. Anna Youngman. \$1.50.

Neglected Point in Connection with Crises. N. Johannsen. \$1.50.

Money of the World. James P. Gardner. 50c.

Bankers' and Merchants' Perpetual Maturity Guide. \$5.00.

Trust Companies—Their Organization, Growth and Management. Clay Herrick. \$4.00.

Savings Bank and Its Practical Work. Wm. H. Kniffin, Jr. \$5.00.

Practical Treatise on Banking and Commerce. George Hague. \$3.00.

Banker in Literature. Johnson Brigham. \$2.00.

Bank Directors—Their Powers, Duties and Liabilities. John J. Crawford. 50c.

Credit Currency. Elmer H. Youngman. 50c.

Natural Money. John Raymond Cummings. \$2.00.

Two Thousand Points for Financial Advertising. T. D. MacGregor. \$1.50.

All or any of the above books will be sent, carriage prepaid, by

THE CHICAGO BANKER,

407 Monadnock Building, Chicago.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

until 1913. Those on the 1912 list embrace T. R. Preston of Tennessee and D. McK. Lloyd of Pittsburgh, both of whom have given good service.

E. S. TEFT, New York, and E. R. Gurney of E. Nebraska quit in 1912, and they will be missed. Mr. Gurney is a particularly able speaker. J. W. Wheeler of Minnesota goes off also. He isn't a public speaker, but is a prince of good fellows, and has a host of friends.

W. J. BAILEY, Kansas, retires. Some call him a kicker but the governor says he only did it to get acquainted. He left his mark in many places, but always for the good of the association, and "no favorites" were played.

NEXT year R. C. Stephenson of South Bend, Ind., will head the savings bank section, and J. F. Sartori of Los Angeles will be in second place. They make a strong team—"the long and the short of it."—Mr. Stephenson tips the scales at about 240, and Mr. Sartori at about 110. Both are serious workers.

H. P. BECKWITH is on until 1914, and there is talk of his organizing a glee club. He gave us a sample at New Orleans and made a hit.

THE American Bankers Association maintains eleven standing committees in addition to the executive committees elected by the various sections. At Briarcliff there was an attendance of perhaps two hundred persons authorized by custom and otherwise to charge up their expenses to the association. The administration by committee had grown to be an abuse.

THE constitution does not permit members of council to delegate their functions to appointive committees. This is very clear when that ancient document is examined with a view to determining that responsibility.

AT Briarcliff by an almost unanimous vote of the council it was decided to go back to the former system wherein the work of the association devolves upon the regularly elected members of the executive body. Further, it was decided that hereafter the expenses of committeemen will not be paid by the association. Two committees which have been in the harness for many years promptly resigned, one of the resignations to take effect at once and the other to become effective at Detroit.

ONE of the committees referred to had been in existence so long that several of its members no longer were in the banking business and consequently not members of the association, yet they still participated and regularly sent in their expense accounts.

WHETHER or not the elimination will be carried to the extent of not paying the expenses of the executive committees of the sections to the mid-year conference was not fully determined. It is certain, however, that Governor Bailey, who introduced the resolution to cut off all committees from expense account privileges, intended to include every sort of committeeman and to leave only members of council in their former standing.

COMMITTEES were in attendance at Briarcliff which had not been called for any purpose and which held no sessions during the week. This helped some to create the sentiment which practically abolished this much abused system of administration. One of the committees which resigned was that on express companies and money orders. Its work will have been finished at Detroit. Another

committee which handed in its resignation to take effect at once was that on fidelity bonds and burglary insurance.

THERE remains work to be done under these subdivisions but hereafter it will be done by members of council. Rumor had it at Briarcliff that R. E. James of Pennsylvania will be the new head of the committee on fidelity bonds and burglary insurance. Mr. James is an attorney and has had legislative experience. He is at the head of a trust company which has more deposits than all of the other banks in his city combined, which ought to give him a passport to a front seat when it comes to doing committee work, especially on the subject of bonds and insurance.

THE committee on agriculture is in some sense a special committee. Of the \$2,000 appropriated for its use at New Orleans but \$25 have been spent, and the members of that sterling organization did not send in any expense account. There could be no possible excuse for discharging such a committee nor for passing any threatening resolutions about expense accounts.

THERE were a score or more members of council at Briarcliff not connected with any committee whatsoever. They are the authorized representatives of their respective states and are both able and willing to do the work of the association. Naturally they ought to be getting experience, and the fact that committees have been preferred in the management heretofore was what stirred up the council to swing the ax at Briarcliff and to behead the favorites.

SEVERAL other reforms are promised at Detroit. Some of the best minds in the association believe that many of the abuses which are so obvious can be eliminated without crippling in the slightest the work of the organization or its power for good.

INDIANA bankers convention will be held at Indianapolis as usual this year with headquarters at the Claypool Hotel. Secretary Andrew Smith notifies us that the dates selected are October 16th and 17th and that a strong program is being arranged. Indiana draws a large attendance and this year will be no exception to the rule.

HENRY W. YATES, head of the Nebraska National, has had published in pamphlet form his reply to the National Citizens League and will send copies to every banker in the state of Nebraska.

MR. YATES believes himself to have been unjustly attacked in the printed matter sent out by Mr. Farwell's organization, and being something of a "natural born fighter," went after the organization in his usual emphatic way. His reply was printed in a recent issue of THE CHICAGO BANKER.

PRESIDENT C. J. WEISER of the Winnesheik County State Bank of Decorah, Ia., makes a strong report in his statement of April 3d, showing deposits of \$1,410,773.21.

WOOD COUNTY (Wis.) banks show a big gain in deposits in the last statement. There are nine banks in the county, and deposits have increased from \$4,187,163.73 to \$4,388,060.20, a total gain of more than two hundred thousand.

LATEST reports from the Northwest indicate that J. S. Pomeroy is being given general support for the vice-presidency of the Minnesota association.

THERE is quite an even race for big figures between the First National and the Ottumwa National at Ottumwa, Iowa. The resources of the First are \$1,415,288.97 and those of the Ottumwa National are \$1,363,947.

While the First has slightly the better of it in resources, the deposits of the Ottumwa National exceed those of the First by about one hundred thousand.

ANDREW J. FRAME is said to be recovering slowly from the dissipations (nothing stronger than Horlick's served) connected with the celebration of his golden jubilee in commemoration of the fiftieth anniversary of his connection with the Waukesha National.

MR. FRAME is said to be considerably disturbed about what to do with a solid gold plate which was presented to him and which was highly advertised. It will be a temptation to thieves if kept at the house, and of no particular service if locked up in a vault. Mr. Frame is said to be contemplating putting it in the banking rooms upon a pedestal and encased by glass.

NORTHWESTERN NATIONAL of Minneapolis in its review letter for May predicts that this year will be a very prosperous one for the Northwest. They have had just what the Northwest requires—lots of rain and a late spring with no setbacks or chilling frosts.

U. S. NATIONAL at Salem, Oregon, has published a comparative statement showing its growth in deposits since 1905. In the eight years covered by this report the bank has increased its deposits from \$99,000 to a million and a quarter.

MARION COUNTY, in which Salem is situated, has seventeen banks with a capital of one million forty-seven thousand dollars, and total resources of more than seven and one-half millions. Outside of the three large banks in Salem the deposits seem to be pretty evenly distributed among the others.

WARE & LELAND have received telegraphic reports from bankers all over Minnesota and the two Dakotas regarding the crop in that section. A summary of the telegrams would indicate that the condition of the wheat crop varies from "good," and "favorable" to "the best ever," which bears out the Northwestern National's prediction for prosperity.

ANOTHER Teeter has been discovered. He uses one more letter "e" in his way of spelling it, but doubtless "Nelson Teeter, pioneer Indian fighter," pictured and written up in the Spokesman-Review, is kin to Lucius Teter. Our Mr. Teter isn't in the "scrapping class," but is willing always to contend for what he believes to be right. At least this is his reputation in A. B. A. circles.

SECRETARY ARCH. B. DAVIS reports that only 29 out of a total of 611 banks in the state are not members of the Kentucky Bankers Association. This means that 582 banks actually have paid dues for this year, breaking all membership records.

THE fiscal year is exactly six months old, and every week several additions to the Kentucky membership are recorded. Groups 2, 3, 5 and 9 have every bank a member, while several other groups lack from one to three banks of having a solid membership. Davis hopes to be in the Keyser class by and by.

NO other state has so rapidly cut down the rates on fidelity and burglary bonds, and Secretary Davis has saved Kentucky bankers from six to eight thousand dollars per year in premiums alone.

RALPH C. WILSON isn't to be allowed to have the race for the Illinois secretaryship all to himself. A dark horse is spoken of and there may be additional entries.

MECHANICS-AMERICAN NATIONAL (St. Louis) May letter tells of improved business conditions and considerable "rush

business" in which the bank has completed retail stocks at its new downtown center.

COMMISSIONER KUOLT, reporting the state banks and trust companies for April 18th, shows, over February 20th, a gain of over four millions, chiefly in time certificates and savings, indicating general prosperity in Wisconsin.

CENTRAL TRUST sends out an attractive municipal and railroad bond circular, well worth attention by investors.

W. D. VINCENT is to "speak" on agricultural and vocational education at the Washington convention. Will Secretary Kauffman kindly explain how he did it?

ORVILLE A. PARK, counsel for the Georgia Bankers Association, has advised that paying drafts attached to bills of lading for whisky is a violation, by the Georgia banker who does it, of the prohibition law of the state.

"RULES and Regulations" to be observed by employees of the First National, Sioux City, Ia., is a clever little booklet which ought to be put on sale. Perhaps President John McHugh, one of the best of Iowa's many good bankers, will send you one if you ask it.

CASHIER.

BANKERS AND AGRICULTURE

By a unanimous vote the executive council of the American Bankers Association has endorsed the field-demonstration bills pending in congress for giving national aid to the teaching of agriculture. One of the bills provides that the federal government shall appropriate \$10,000 to every state that shall appropriate an equal amount for such teaching; another bill is for the appropriation of \$3,000,000 in the various states.

Between bankers and the farms there is a close connection which makes it possible for the various associations of bankers to have much influence over farmers and farm methods. At least twenty state bankers associations have taken action toward promoting farm betterment. The American Bankers Association, comprising some 12,500 banks, has a standing committee on agricultural development and education, on whose report the resolution favoring aid by congress was passed.

There cannot be too much instruction in agriculture of the right sort. The nation and the states should provide for it, in view of the pros-

pect that unless farm production increases we shall suffer as a people. Liberal appropriations should be made by congress.—Record-Herald.

INTERESTING GUESTS AT BRIAR-CLIFF

Those who attended the Briarcliff sessions had much pleasure in meeting Mrs. White and her companion, Miss Marie G. Young, of Washington, D. C., who are among the survivors of the "Titanic" disaster. The ladies in the party found much interest in visiting Miss Young's apartments at the Lodge and viewing her splendid collection of paintings, bronzes and bric-à-brac. Miss Young told in a modest yet thrilling manner her experiences in getting away from the doomed boat.

CHICAGO HAS LARGEST BANK

Much as it is supposed to hurt a New Yorker to admit anything favorable to Chicago, one of its newspapers has finally acknowledged, what **THE CHICAGO BANKER** repeatedly has pointed out, that this city has the largest bank in the United States. The *Financial Chronicle*, one of the best known of Wall Street's publicity organs, says:

"It is marvelous how Chicago is growing in every direction, particularly how its banking institutions are increasing in size and magnitude. That city now enjoys the distinction of having the largest bank in the United States.

"There are a number of Chicago banks which rank on a par with the biggest banks in this city, but it remained for the Continental and Commercial National Bank to reach an aggregate of deposits which exceeds even that of the National City Bank of New York.

"Under the call of the comptroller of the currency for a statement of the condition of the national banks on April 18th the National City Bank shows deposits of \$228,419,618. The Continental and Commercial Bank of Chicago for the same date reports deposits of \$190,959,580, but this is exclusive of the \$26,694,776 deposits of the Hibernian Banking Association, whose entire capital stock is owned by the stockholders of the Continental and Commercial National, and it is also exclusive of the \$22,202,836 deposits of the Continental and Commercial Trust and Savings Bank, the stock of which is similarly owned. This makes combined deposits of \$239,857,193, which exceeds by over \$11,000,000 the \$228,419,618 of deposits of the National City Bank of New York.

"That a Chicago institution should be able to record such imposing results is even more significant than for a New York bank to attain a similar distinction. For it is to be said for the Chicago banking concerns that they are banks in the truest and best sense of the word. It cannot be charged that their business is with Wall Street or with the stock market. They cater to the needs of the mercantile community. No doubt some portion of their funds is invested here in the East, but, broadly speaking, their energies are devoted to satisfying the ever expanding needs of the West."

GROUP 6, INDIANA

The annual meeting of Group 6, Indiana, will be held at Rising Sun on May 22d. Visiting bankers will be welcomed by the local bankers, and on the arrival of the boat the Rising Sun brass band will play selections from "Blue Jeans." It will be remembered that Joseph Arthur, a play writer, put Rising Sun on the map during the World's Fair in Chicago when "Blue Jeans" had a long run at a local theatre.

The German American Savings Bank, La-Motte, Ia., has increased its capital stock from \$10,000 to \$20,000.

A 6% Investment

We own and offer a limited block of a well-known equipment and real estate mortgage, secured by nearly two for one, with a clean financial record. These bonds are held by many banks—one prominent institution holds \$250,000 for its own investment. They mature in 1916 and may be obtained so as to net you 6%.

The full particulars will be promptly furnished to you—and without cost or obligation on your part, either.

D. Arthur Bowman & Company
INVESTMENT BANKERS

Third National Bank Building

ST. LOUIS, MO.

ALL BRANCHES OF BANK



1857

1912

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FRANK G. NELSON	-	-	-	Vice-President	LEON L. LOEHR	Sec'y and Trust Officer
JOHN E. BLUNT, Jr.	-	-	-	Vice-President	F. W. THOMPSON,	Mgr. Farm Loan Dep't
J. G. ORCHARD	-	-	-	Cashier	H. G. P. DEANS	-
					Mgr. Foreign Dep't	

CAPITAL AND SURPLUS - \$9,000,000



If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago

Correspondence Invited

THE NATIONAL CITY BANK
OF CHICAGO

Capital	-	-	-	\$ 2,000,000.00
Surplus and Undivided Profits	-	-	-	587,563.63
Deposits	-	-	-	30,713,013.20

OFFICERS

ALFRED L. BAKER	-	-	-	DAVID R. FORGAN, President	HENRY MEYER	-	-	Assistant Cashier
H. E. OTTE	-	-	-	Vice-President	A. W. MORTON	-	-	Assistant Cashier
F. A. CRANDALL	-	-	-	Vice-President	WM. N. JARNAGIN	-	-	Assistant Cashier
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W. T. PERKINS	-	-	-	Assistant Cashier	R. U. LANSING	-	-	Manager Bond Dept.
W. D. DICKEY	-	-	-	Assistant Cashier	M. K. BAKER	-	-	Asst. Manager Bond Dept.

Fourth Street National Bank
OF PHILADELPHIA

Capital	-	-	\$3,000,000.00
Surplus and Profits	-	-	6,500,000.00

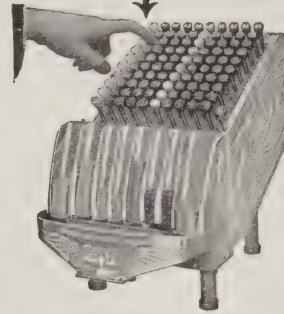
UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board	FRANK G. ROGERS, Vice-President
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JAMES HAY, Vice-President	W. A. BULKLEY, Assistant Cashier
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An Up-to-Date Bank cannot long

combat the

PRESS ONLY ONE KEY ^{71¢}
PAYS MONEY



Pressing ONLY ONE KEY
Completes the Transaction

money-saving argument of labor-saving equipment, especially when our machine must make good on your own counter.

The Brandt Automatic Cashier is used and endorsed by

Over 5000 Bankers

It is infallibly accurate and saves 25% in time. A moment's time, a postal will bring full particulars of our interesting offer to bankers.

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New Trains to ST. LOUIS

VIA THE

NEW ALL-STEEL TRAIN
DAYLIGHT SPECIAL

Leaves Chicago 10:02 a. m., arrives St. Louis (via Merchants Bridge) 6:02 p. m. New Indestructible Steel Cars of Handsome Interior Finish. Every comfort and convenience will be found on this train.

NEW EVENING TRAIN
ST. LOUIS EXPRESS

Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m. An up-to-date train in every particular, with an early evening departure from Chicago.

New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped throughout, with a late evening departure from Chicago. Stops made in both directions at South Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars, Sleeping Cars. Free Reclining Chair Cars and Coaches.

ALL TRAINS ELECTRIC LIGHTED

TICKETS, FARES AND SLEEPING-CAR RESERVATIONS AT

ILLINOIS CENTRAL

City Ticket Office	76 W. ADAMS ST.	Commercial National Bank Building
R. J. CARMICHAEL, D. P. A.		Phone Central 6270

The Girard National Bank
OF PHILADELPHIA

Capital	-	\$2,000,000
Surplus and Profits	-	4,716,000
Deposits	-	46,275,000

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RICHARD L. AUSTIN
Vice-President
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Assistant Cashier
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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

MAY 25, 1912

Entered as Second-Class Matter January 15, 1903, at the
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10 CENTS A COPY

Supervision of Private Banks

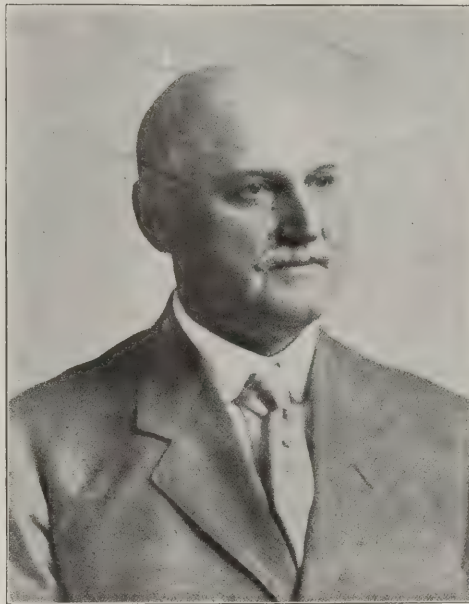
George Woodruff, president of the First National, Joliet, has long been considered one of the leaders in increasing the usefulness of the Illinois Bankers Association to its membership and to the public. Group organization, county organization work, and "revision and rejuvenation" of the time serving constitution can be credited in large part to his foresight and energy. In the matter of supervision for private banks Mr. Woodruff goes on record in an interview, in which he has said for publication:

"The question of the supervision of all banks in the state of Illinois is engaging the attention of the Illinois Bankers Association, and to a more or less extent the public in general. In the past I have advocated the supervision of private banks, believing that the interests of the public are paramount to the interests of the gentlemen engaged in the private banking business, but at the last convention of the Illinois Bankers Association I stated that I did not believe that it was to the best interests of the association to carry on the campaign for supervision inside of the organization.

"I took this position because the private bankers had given up the special privileges which they formerly had enjoyed by reason of the special provisions in the constitution; because one-third of the members were private bankers whose rights to the protection of the association were just as good as the rights of the other two-thirds; because after some supervisory law has been passed, as it surely will be passed in the reasonably near future, the association would wish to retain, as interested enthusiastic members, all of the reorganized private bankers; and last of all, because I believed the campaign could be carried on with dignity, and without bitterness before the legislature of the state with greater chance of success than could be carried on within the bankers association. Victory in the bankers association puts no laws upon the statute books. The convictions of the officials of the association have been slightly at variance with the convictions held by me on this subject, and they have presented this entire matter to the association for action. It therefore occurs to me that it is just as well to meet the facts as they actually exist, and regardless of individual opinion as to whether the matter should have been threshed out before the association or before the legislature, recognize the fact that the association is going to thresh it out, and urge every member to take an active interest.

"A majority of the members undoubtedly are in favor of supervision, and those members who are opposed to supervision should carefully analyze the situation and firmly grasp the fact that supervision of some sort will without doubt be advocated by the organization. It therefore is up to them to advance some plan. To oppose all supervision is a mistaken policy, for public sentiment is for supervision, and the wise opponent will take no obstructive attitude, but rather will come forward with a constructive plan. Such

Presided at Important Conventions



A. H. WAITE
JOPLIN, MO.
President Missouri Bankers Association



J. R. LINDBURG
PITTSBURG, KANSAS
President Kansas Bankers Association

a plan unquestionably would receive the respectful consideration of the committee that has been appointed as well as everybody else for, while public sentiment in Illinois is in favor of supervision, nevertheless, it at the same time, is friendly toward the great majority of private bankers, and very strongly inclined to guarantee all of those bankers vitally interested in this question treatment that is absolutely fair.

A constructive program on the part of the private bankers of the state of Illinois doubtless would lead to legislation that would safeguard the interests of the people of the state, and would prove to be satisfactory to the interests of the private bankers. Such a program would, further, serve to eliminate any feelings of bitterness or resentment against those leaders in this movement who are but voicing the real public sentiment of a majority of the people of Illinois. It is up to the private bankers themselves to take some action."

CHICAGO ANSWERS MONEY TRUST QUESTIONS

Several of the larger banks in Chicago have completed and either have sent or soon will send to Washington the reports containing most of the information asked for recently by the house committee on banking and currency, which is bent upon an investigation of the "money trust." In expressing their willingness to co-operate with the Pujo committee Chicago bankers have drawn down upon themselves the

displeasure of prominent bankers in other centers where the disposition is to ignore the request for information and to resent what is called "congressional interference with business."

CHICAGO SAVINGS BANK AND TRUST EXPANDS

Chicago Savings Bank and Trust Company will move its trust and real estate loan department on May 27th to the third floor of the building to provide additional facilities for their increased business.

J. S. Aisthorpe

Col. J. S. Aisthorpe, Cairo, was the presiding officer at the Carbondale meeting of Group 10, and was honored by being elected a regular member of the executive council of the Illinois Bankers Association. It was openly talked at Carbondale that the Colonel will again be a candidate for the chairmanship at the Peoria convention.

E. A. Hamill

E. A. Hamill, president of the Corn Exchange National of Chicago, has returned from a trip abroad. Mr. Hamill spent considerable time in visiting Egypt.

C. G. Rowe, cashier of the first National Bank at Dundee, Ill., was a caller in the financial district the past week.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

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RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
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EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

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JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

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JOHN JAY ABBOTT
Vice-President

GEO. B. CALDWELL
Vice-President

CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOFF
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The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

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Circulars on application

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TRAVELERS SHOULD CARRY

K. N. & K.

Letters of Credit and Travelers' Checks

Available Everywhere

Your own Banker can supply them

KNAUTH, NACHOD & KÜHNE, Bankers
NEW YORK
LIEPZIG, GERMANY

Fort Dearborn National Bank

CHICAGO, ILLINOIS



United States
Depository

Capital	-	\$2,000,000
Surplus and Profits	-	600,000
Deposits	-	27,000,000

Comparative Showing of Deposits

February 14, 1908	\$9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
March 7, 1911	21,574,956.79
June 7, 1911	23,137,746.89
September 1, 1911	24,500,075.82
December 5, 1911	25,445,199.89
February 20, 1912	26,207,446.32
April 18, 1912	27,287,752.30

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Ass't Cashier
THOMAS E. NEWCOMER, Ass't Cashier
HARRY LAWTON, Mgr. Foreign Dept.
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We particularly desire accounts of banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you.

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Capital and Surplus \$1,000,000

Has for twenty-eight years rendered Efficient and Quick Service to its Correspondents

Resources, Nine Million Dollars

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J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
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JOHN FLETCHER
GEO. M. BENEDICT
WM. C. CUMMINGS



Mainly About Banks and Bankers

AGRICULTURAL development is having a place on almost every state convention program as well as at the group meetings this year.

THE American Bankers Association endorsed the movement at the New Orleans convention and the executive council at its Briarcliff meeting went so far as to petition congress for an extension of farm demonstration work in the North and West. No movement ever set on foot by the bankers has become so popular in so short a time. Not even the gold standard movement nor that in favor of reserve association banking can compare with it.

THE whole thing was started about three years ago by Joseph Chapman, Jr., at that time president of the Minnesota Bankers Association. The farmer-bankers of the state thought it a pretty good joke and began calling him "Farmer Joe." There is considerable glory in that title now.

J. W. WHEELER, then located at Crookston, was minded facetiously to address an express package to "The farmers' friend, Minneapolis." It was delivered to Mr. Chapman all right, and the whole subject began to take on a more serious aspect.

FARMERS themselves, university professors and heads of agricultural schools began to be interested. Congressional committees saw something in it and a number of bills now are under way before congress, and but for the political exigencies of the season might have been enacted into laws long before now.

NEXT came the calling of the agricultural and educational conference at Minneapolis and St. Paul last year. This was rated the most interesting meeting ever held by bankers in this country. The proceedings were printed in a pamphlet, which was distributed to the members of nearly twenty state associations. Illinois, Kansas, Iowa, the Dakotas, Washington, Wisconsin and other states fell promptly into line and took their quota of the books.

ALL of the states named and referred to have appointed, or have agreed to appoint, agricultural committees. The American Bankers Association appointed a standing committee at New Orleans of which Mr. Chapman is the chairman and of which B. F. Harris of Illinois, E. J. Curtin of Iowa, and W. D. Vincent of Washington are among the most enthusiastic workers.

ILLINOIS started second in the fight but is coming fast. Her state association has issued more printed pamphlets than any of the other state associations. President Harris has accepted speech-making appointments at all of the state conventions which it has been possible for him to attend.

THE original Minnesota committee discovered that more than 96 per cent of the children in school never get beyond the primary grades; only 2 per cent attend the secondary schools and less than 2 per cent go

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

111 W. Monroe Street

Chicago

to college. In the face of this showing the absurdity of basing primary education on collegiate requirements is apparent. Minnesota, Wisconsin, the Dakotas, Illinois and other states are hard at work introducing agricultural and vocational training into the public schools as well as into the colleges and universities. Great good eventually must come of this work.

EARLY in August the second annual agricultural and educational conference of bankers, farmers and educators will be held at Minneapolis and St. Paul. The program is being prepared with the greatest care and the proceedings volume will furnish a text-book which no doubt will find a useful field in every state in the Union. Farming and primary education of children have not been advanced with the other arts and sciences nor with the business and banking development of the country. Consumers have been multiplying much more rapidly than producers until the country has reached a point where James J. Hill has been led to remark that "If nothing else does, an empty stomach will drive the people back to the soil."

FINANCIAL and banking newspapers of the country have been making much of a paragraph supposed to have originated at Briarcliff in which it was stated that "90 per cent of the bankers of the country are land owners and 70 per cent of them are engaged in farming operations."

WHAT was said was that "90 per cent of the country bankers in Illinois own land and 70 per cent of them are engaged in farming operations." There is a very wide difference between what was said and what is quoted as having been said.

MANY editorials have been written which have been based upon this misquotation. As applied to the country districts of Illinois it is true; as applied to the bankers of the whole country it is not true, and even might be thought ridiculous by those who are posted.

THOSE who attended the group meeting at Carbondale on Wednesday noticed that George Woodruff and J. S. Aisthorpe had a number of apparently confidential conferences. Very likely the subject of the chairmanship of the next council might have been mentioned? Both gentlemen have a great many

friends, and a little contest between them ought to be very entertaining.

THE Peoria convention will be much more interesting if there are a number of candidates, but the chief difficulty will be to get both Mr. Aisthorpe and Mr. Woodruff in the field at one time. It has been whispered that one will not run against the other.

COMMODORE WILLIAM LIVINGSTONE of Detroit, president of the American Bankers Association, went through Chicago on Sunday headed for Joplin, Mo., where he was to speak on Tuesday. From Joplin he went to Topeka, Kan., and was busy preparing his address on the train, so W. G. Edens telegraphed.

ALBERT MOBLEY of Monroe, Ga., in delivering his address on "The Conservation of Our Money Power," at Atlantic Beach, on Friday, ranked the banks of the country along with the churches and the schools as leading features of our civilization.

A BANKER friend has figured it out that Bryan will be the nominee at Baltimore. He says that the democrats figure that Bryan can beat Taft, and that on a third term proposition he could beat Col. Roosevelt. This sounds like true democratic doctrine, and it might be well to give it some consideration.

WARE & LELAND of this city are advising the greatest caution in market operations. This firm lists as among the unfavorable possibilities a failure of the wheat crop, continued unseasonable weather, labor troubles and political unrest and disturbances.

MEMBERS of the Chicago Association of Commerce took a prominent part in the laying of the corner-stone of the new Commerce Building, which was erected by the University of Illinois at Urbana on May 21st. President E. N. Kimbark went down from Chicago and delivered an address. There were present beside him Governor Deneen, President B. F. Harris of the Illinois Bankers Association; H. T. Markham, president of the Illinois Central Railroad; W. L. Abbott, and W. C. Zimmerman, all of whom made short talks.

DR. JAMES nearly thirty years ago became a professor of commerce in the University of Pennsylvania, and ever since that time has had confirmed convictions that the teaching of commerce is part of the work of every state university.

BANKING associations all over the country have taken up the subject of vocational training, which of course includes training of business men. Michigan, Wisconsin, Minnesota and California maintain such departments, as well as Pennsylvania, New York and some of the New England universities.

COL. ROBERT J. LOWRY, president of the Lowry National at Atlanta, has been elected a director of the American National at Macon, Ga. The Colonel is one of the best known bankers in the entire South, and is a

(Continued on page 31)

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Explains Co-operative Farm Loans at Joplin

All business must prosper in direct proportion as the products come from the soil. No bank can prosper except as other business prospers; no business can prosper when crops fail. A bank's best asset is its absolutely safe investment, or when its money is on a profitable working basis. Idle capital or that on an unprofitable investment or on questionable security is a poor asset. It is poor policy for a bank or any other business to make its customer poorer, or deprive him of his working or earning capacity. To keep our soil fertile that it may feed the world, and in addition allow the world to earn a living is of first importance to the nation.

The above propositions are fundamental, and this discussion will be largely based upon them.

About 75 per cent of the raw material for the shop and the factory comes directly from the farm, and when the farms fail to produce the raw material the shop and the factory must close doors. This means idle workers, and idle workers mean uncollected bills, which mean poor and unprofitable business, which means idle capital or bad investment; so getting to first principles it should be clearly a business proposition to see that the farms do prosper. Bad policy has worked such mischief to our fertile soils in this country that it will require a great many years of hard labor and expense to put them back to the fertile condition in which we found them when we took them from the red man.

It requires broad sense to intelligently till the soil. This truth in all our schools has not been recognized, and only in the last decade has it dawned upon us that a farmer needed educating in his business, and in too many of our states to-day, our own not excepted, the people are not liberal enough in caring for our institutions that are training our young people to rightly care for and protect the fertility of our soil. Not half the work demanded can be done for lack of funds. So our policy toward the farmer's school has not been liberal enough.

As nearly as I can ascertain 8 per cent income on the money invested in the banking business would be a conservative figure, and many bankers are also investors in farms, and not to consider land prices changing, the investment from rentals, etc., would perhaps not average above 4 per cent profit. Then the question arises, if the banker cannot realize above 4 per cent in farm investment, can the farmer be expected to realize more than that? Also, is it good business for banker or borrower when money is loaned at a higher rate than the investment will produce? The bank is taking not only too great a risk, but it is making the borrower poorer to the extent of the difference between the rate of interest and rate of income on the borrowed money invested. It is certainly poor policy for the bank to make its customer poorer, which it does when it loans him money for an investment on which he cannot realize as great a rate of income as he pays interest.

The question I'm driving at is, that from what I can find out interest rates to farmers are too high to be either safe for bank or farm-

Manager S. M. Jordan of the Pettis (Mo.) County Bureau of Agriculture tells bankers the easiest way to help the farmer. An able and interesting paper from a practical, successful teacher who stands for—a more fertile soil, better live stock, better seed grains, better markets for farm products, better public highways, better country schools and better farm homes

er, because we must have prosperous farmers to have prosperous banks.

A farmer may have grown a good crop, and would like to be able to feed it, but he does not have the money to buy stock. He goes to his banker to borrow and is asked from about 7 to 8 per cent. He knows farm investments bring about four, so he sees himself losing 4 per cent on his loan, and does not borrow, but sells his crop on the market. He makes up his mind that he will not take any risks of borrowing, and to sell his crop will make him less work besides.

Note results: Every ton of hay that goes from his farm takes from \$7 to \$10 worth of his soil fertility with it. Every ton of grain that leaves the farm takes from \$12 to \$15 worth of his soil fertility along. That is, should he return this fertility to his soil it would cost those amounts. He thus is very rapidly selling the very source of his income, or if you please, "killing the goose that lays the golden egg"; while could he have fed his crops and returned the manures to his land he would then have sold little from his soil in the way of fertility, as there is less than 50 per cent worth of soil fertility in a ton of animal fat.

Thus when a rate of interest is higher than the rate of income on the investment the borrower must lose; when he loses then the bank's asset is impaired. If the farmer does not make the loan but sells his crops on the

market, he is selling the fertility of his land, and is the loser thereby. It thus would seem clear that some plan should be devised whereby the farmer can secure cheaper money on personal security.

The facts are, that some plan must be worked out, and the farmers as a class desire that the banks work it out. The farmers do not like to take hold of such matters, and they never do so until necessity compels them. A plan by the banks can be started much like the farmers of some countries of Europe have had to do. The plan is not difficult and it works. The state bankers association, it seems to me, would do well to see if the plan cannot be put into operation in this state, and be done by the bankers.

The farmer must get cheaper money, and if the banks cannot get it for him, he must take steps to get it for himself. The plan as adopted by farmers of Europe is to take first mortgage security, and issue bonds against the organization, the bonds being secured by these mortgages. The organization collects all interest and payments, so that the holders of the bonds absolutely are as secure as if they held government bonds.

Much money that is not bringing more than 2 per cent or that may be idle would be called into action on farms to make them produce more and better surplus, and enable the more conservative use of crops.

Credit Systems

Would it not be ideal if every man who tills the soil could own at least a part of the land he tills?

If every man in Missouri owned a home and lived in it, padlocks would find poor sale. Instead of wider ownership of land the reverse seems to be taking place. Notwithstanding all that has been said of making farms smaller, in many sections of the country, they are becoming larger and fewer persons are owning them. This certainly is brought about because, when the buyer must go heavily in debt on his lands, the average one never gets the debt cleared, and when this condition confronts him he sees that his easiest escape is in selling his farm and finding work in town, or in renting his land. And under our modern system of renting, the destruction of our soil fertility begins the day the renter begins operation. Again is our source of the nation's wealth impaired.

Many young men to-day are being prepared by our colleges to take up the best modern systems of farming, but by the time they are done work at the colleges their means either are exhausted, or nearly so, and many actually are in debt when their terms close. These are young men of our finest types, and if some plan could be devised whereby they could begin more quickly ownership in farms it would result in a great national blessing. Their methods would be copied and better systems could be brought about much more rapidly.

Young men of good character who are industrious, and who have some scientific training for the farm, and who have to begin as renters are about the only ones who can hope to be land owners except those whose fathers



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give them land. Their fathers, to be sure, paid for the land without this special training, but I know of as good land as the sun shines on, that men who still are living bought for 50 cents an acre. This same land to-day is selling for upwards of \$100 an acre.

This brings us to the point of the Farmers Credit System—a system designed to aid persons to cheap money on personal security. First mortgage farm loans are very reasonable, but not so on farm personal security. The rate of interest on farm personal security is often more than on city personal security, where business men borrow money. These personal loans are backed by the organization, and only persons of the best moral character, and who are known to be industrious, and to have had training for their work would be those who would be beneficiaries of the credit system.

"To get a start" is the hardest pull, and a little help at the outset is where the greatest good can be done.

Most any such young man as above described can get aid of his friends or directly from his banker, but the rates of interest are not safe for him to assume. And the co-operative plan makes the security gilt-edged, hence should be secured at comparative rates with those on first-mortgaged real estate lands.

The credit system is conducive to good citizenship since only those of quality can secure its benefits, and good citizenship is of first importance to our Republic.

It seems to me that bankers from the very nature of things eventually will put just such a plan in motion. Such a credit system as this exists in many universities whereby students are loaned money from a fund created for the purpose, who could not complete their courses without some aid.

Such a plan might not render returns quite so quickly but ultimate results certainly would be greater. It occurs to me that the Missouri Bankers Association could put this plan in motion to their own, and to the state's great gain. I believe that could the rate of farm money be made equal to the rates of income on farm investments, much more working capital could be put into service on our farms. That this would be desirable is evident, as too little cash capital now is at work on our American farms. This certainly would add much to the earning capacity of the farms, thereby adding a like proportion to the earning capacity of all other lines of business. This would mean that the only way a bank could fail would be from crooked work or too expensive operation.

These ideas hold well in theory, but the difficulty lies in their operation. Human nature asserts herself (a sort of a fashion human nature has), and we charge "all the traffic will

bear." When the demand will pay 8 per cent we charge it and get it. When the demand will pay but 4 per cent that is all we will secure. It is, no doubt, that the demand as it comes is prompted by our love of risk. We love the gamblers' chance, and base our action on the record of the few who win rather than on that of the many who lose.

After all our theories have been spun we eventually will find that to be secure we must on our farms operate so as to eliminate as many risks as possible, and so far as I know, the most effective way to do that is to mix more brains with our farm work, in other words, men on the farm succeed in proportion to the judgment they can exercise. Wide scientific knowledge of agriculture is perhaps our greatest aid in exercising good judgment, yet that knowledge is not all, for it has been truthfully said that to "educate a fool makes him a bigger fool." Yet, "educating the farmer for the farmer's business" is the only known way to secure good judgment, as this judgment must be reached through scientific fact.

Many successful farmers, it is true, have had either little or no scientific training in school, yet by close observation, they are truly scientific. They may not be aware of it, but they are so, nevertheless. Science is simply sense, not a code of rules, nor an almanac full of signs. We have been farming too long by

rules and signs, and the sooner we learn that there is no one way that is best everywhere all the time, the better off we will be. We, who are older, will continue the balance of the time that the Lord allows us to farm, to farm largely by rule, and by sign as our father did, and it is to the young to whom we must look for betterment of method and, incidentally, more than 90 per cent of our farm boys and girls get all the schooling they ever get in the country school, and that schooling teaches them comparatively nothing of farm matters.

The course in the country school is made to fit into the course in the town or city high school, and that is made to fit into the course in the college and the university, and these courses have trained for every vocation under the sun except that of farming. Twenty-five years ago, who ever heard of an agricultural graduate? A farmer as a "graduate" not long ago would have been thought a joke.

The farmer must, in the future, be trained for his business the same as for any other business.

The farmer is very skeptical as to things he does not understand, and that is wise. He has been the object of the swindler for all the ages, and his suspicious nature has been bred in him for generations. Yet to-day the farmer is not the man who is most often "gold-bricked." It is more often the banker, perhaps, or some other man in what we call "business." I draw an idea that should you turn me loose in your "safety deposit" vaults, I could dig up a little stock in an oil (?) well, or a gold (?) mine, neither of which yields up anything as good as limestone. Or I could find a deed to a town lot which you drew by chance in a new town site in the Panhandle on the survey of the new "International Consolidated Stem Winding Electric Railway," or that town site may be in the Gulf of Mexico. Anyway, these things are without doubt in all your vaults, and they are "embalmed in fond memory" in the names of editors, doctors, lawyers (sharp ones, too), merchants, rich widows, and even bankers—in fact all tribes are represented there except farmers. He buys some patent gate or chicken yoke or a setting of scratchless hen eggs, and before "hatching" he tells of his investment, or his wife does, and everybody knows it, but these deeds and certificates never come to light, and "the whole country" don't know it. It was not the farmers who got stung in the Belgian Hare industry.

The farmer has been "leary" about agricultural science for the reason that he has drawn wrong conclusions, and this is not at all to be wondered at, as so many "false prophets" have been abroad in the land with what they term

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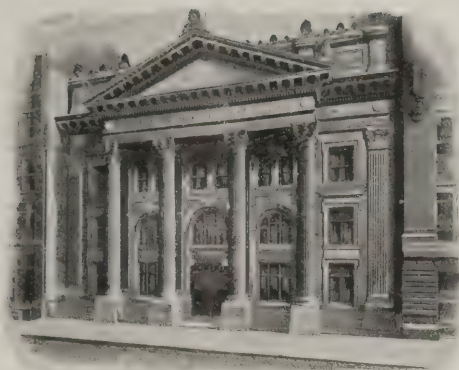
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science, that was not science at all, and the farmer with good sense would know it was wrong, hence too often it has all been put in the same class by him and cast into the junk pile.

These conditions must be remedied, and we can get a common knowledge of agricultural science by but one great means, and that is by way of the school, but the interest or desire must precede the getting, and this must be done largely by creating interest outside the school, and most largely in contest work among the boys and girls.

Bankers, and other business men, commercial clubs, and farmers' clubs rapidly are coming to the front with such splendid work that the world has never known such progress in agriculture as is at the moment now passing. The attention of the whole world's business is turning to the farm, and farmer's co-operative plans actually are being aided by the business of the town, and I confidently believe that the time is not far distant when the towns actually will aid in securing a parcels post, and from self interest alone. Time forbids a discussion of reasons here. Farmers co-operative credit systems will actually be worked out by the towns, contradictory as this may seem to-day, for the fact is basic that a prosperous farm community makes a properous town and the time is here now when many of our towns are driving from their midst the parasites that suck the farmers' "life blood" away.

The banker from his close relations to the farmer, becomes his closest counselor; hence the banker can render him greater service because of the farmer's confidence in him.

Getting down to cold facts, it must be resolved to producing and maintaining a fertile soil that greater yields of a higher quality may be produced, and when this is in operation the capital will flow to the farm. This will be done by training our young people how to do it.

I have understood that the Illinois Bankers Association, as an association, has taken an active interest and part in the Illinois Boys' Corn Growing Association by printing literature for distribution and offering prizes for contests.

It occurs to me that if the Missouri Bankers Association desires to take some action in this matter and co-operate with the Missouri State Corn Growers' Association great service can be rendered. The literature of the

State Corn Growers' Association is sent over the entire country, and many of our great manufacturing interests are spending thousands of dollars in extending this splendid work, and since the banks share in the general welfare, you might deem it wise to lend your aid as an association. It would be but a small item from each bank, and the Missouri Corn Growers' Association is without capital, and its splendid secretary serves without pay. He has to beg for premiums he offers, or this once was the case, as I well remember a few years ago, when I was secretary how I "landed" on business concerns, and how most of them turned me down, yet those who "came across" are with us yet, and most of them simply ask us what we want, and they do so from the fact that this organization of farmers has made it a business proposition to do so. Your addition to the premium list would help, but I am going to "touch" you differently. Maybe you won't like it, as my plan may not be the best, but our present secretary, Prof. C. B. Hutchison, of Columbia, is one of our finest types of young men and has splendid ability, but is doing the work of secretary of the Corn Growers' Association at odd times, and doing it without pay. This work is state-wide in its results, and possibly the state should pay him, but it does not, and if this work could be done as conditions demand, it would require his entire time.

Would it be well for the Missouri Bankers

Association to pay \$1,000 a year as part pay for this work? Or to lend your influence in getting the state to pay it? Or would it be well to add to the premium list? I am not begging, because to me the difference is not much, but am simply offering suggestions, and if it looks good, accept—if not, reject. I candidly think this man who is competent, by devoting all of his time, could be the means of increasing the Missouri corn yield one bushel to the acre each year for five years. Missouri plants nearly 8,000,000 acres of corn each year. One more bushel a year for five years would mean forty million more bushels of corn; this at 60 cents a bushels would mean \$24,000,000 more money for the farmers' pockets, but it does not stay in his pocket. Every dollar comes to your town sooner or later, goes through the channels of business of your towns and eventually finds its way to your banks. Every dollar that the farmer gets from his farm surplus comes to town. That \$24,000,000 by a cost of \$4,000 a mile for rock roads, and the state averaging 300 miles across, would be enough money to build twenty rock roads entirely across this state.

It seems like poor policy to permit the organization that is doing so much to increase the production of the greatest cereal the world has ever known to have its work done by an able man whom it has no funds with which to pay. It is poor policy for state or nation to hamper our colleges of agriculture and experiment stations in their great work of showing us how to keep our soil fertile, that we may grow better crops to feed our splendid live stock. It is poor policy for state or nation to curtail by meager funds those things that are for the making of better farm homes, wherein we are to grow better girls and better boys for the future citizenship of the world. Our boys and our girls, the "paramount issue," are worth more to us than all the crops of all the fields.

"INTENSIVE FARMING"

Cartoonist King of the "Chicago Tribune" evidently has fallen for the literature sent out by "Farmer" Joseph Chapman and his committee on agriculture. Pointers on intensive farming appeared in the Tribune of May 15th.

A petition for a charter for the Hume State Bank, Hume, Mo., has been filed with the secretary of state. It will have a capital stock of \$10,000.

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Early Banking History of Kansas by G. W. Martin

A CHAPTER FROM THE ARCHIVES

By GEORGE W. MARTIN

Secretary State Historical Society.

There is no limit to the interest in Kansas history. Every feature of it bristles with attention. I am glad you asked me to indulge in hindsight. This enables one, with the aid of the magnificent Historical Collection founded by the fathers, to talk about something we know. Foresight has often proved quite faulty, but there were a few prophets in the beginning, political enthusiasts, who saw Kansas as she is to-day. A person had to be blinded to practical things and inspired by a sentiment to have in 1854 a vision of Kansas as she appears in 1912.

How can one start a talk about banking in Kansas? What was there here in the beginning to require the use of a bank? Who were the first settlers in Kansas? Were they capitalists and depositors? The settlement and organization of the territory and state of Kansas was a great enterprise, and to use a modern word, somebody had to finance it. The start of Kansas was wholly different from that of any other section of the country. It was the result of a bitter moral and political controversy. Of course there were many people who came to Kansas with the ultimate intention of establishing a home on a piece of government land, but there was a great sprinkle among them who came to fight for a principle, including many reckless ones who coveted excitement. The smartest and best of them had but little conception of the suffering, the sacrifice, the trials and the development which would follow. I am now convinced that if they had all been depositors where they came from, Kansas would to-day be a wilderness, and the

Prepared for the Kansas Bankers Association by the secretary of the state Historical Society. Will be printed in the Chicago Banker in three parts

buffalo and the Indian would not have been exterminated. Nerve and fortitude was the capital required, and our forefathers had plenty of it.

In those days the pioneers had to contend amidst ten years of war with very little agricultural production. The war gave government employment to many, and aside from this there were no industries of any sort. Prior to the war the people indulged in politics, conventions and elections every sixty or ninety days. From November, 1854, to November, 1860, there were twenty-five elections in the territory, or four each year. Who kept them going has been a problem in my mind for years. True, there were but few hotels with extravagant prices, but there was boundless hospitality at the dugout, the board shanty and under the canopy of heaven, with a menu everywhere that has never been surpassed since—corn bread, sorghum and sow belly. The principal capital required was a pony and

a saddle. But there never was anything without expense, and how did the people live?

The man who came to Kansas in those days needed a few hundred dollars for a shanty, a plow and a yoke of cattle, and if he had enough for a year's provisions he was considerable. It was in the days of old shin-plaster money, and everybody was suspicious whether he had a cent or not. A gentleman down East has lately furnished the Historical Society with a manuscript of fifty-five pages, giving the proceedings and disbursements of an aid committee in a certain township in 1860-1861. It is a wonderful statement of the closeness with which people had to live. Every issue of aid was limited to a half bushel of potatoes, twenty-five pounds of flour, one-half peck of beans, etc., and notwithstanding much scandal and slander about that aid business these papers show an honest and square deal. Of course many settlers were able to pull through without it.

The donor of this manuscript was secretary of the aid committee and is now a brigadier-general on the retired list of the U. S. army. There are only four or five names on the list recognized to-day. There is one man charged with receiving "one half bushel of meal and twenty-five pounds of flour." This man afterwards established a small industry in that township aided by a son. It was a success and he moved East, and when he died he left one of the greatest industries in the country, involving millions, in the care of a son-in-law, general manager, and the son, general attorney. The past history of Kansas is made up of just such wonderful details. How we will to-day stack up in comparison the future must judge.

But how did the bank get a foothold in Kan-

American National Bank Louisville, Ky.

Capital and Surplus, \$1,000,000

LOGAN C. MURRAY, Pres.
CHAS. C. CARTER, Asst. Cash.

R. F. WARFIELD, Cashier
F. L. MOSELEY, Asst. Cash.

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Bankers
of the
Middle and Western States

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Depository will find every requisite and safe-
guard known to modern banking at their disposal

Irving National Exchange Bank

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A Strictly Commercial Bank

Resources Over Thirty-eight Millions

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which is the logical Southern port for Panama Canal
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AMBURSEN HYDRAULIC CONSTRUCTION COMPANY ENGINEER-CONSTRUCTORS

165 Broadway
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88 PEARL STREET, BOSTON

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Montreal

Our experience is of value to you because it is gained in the successful building of 67 dams to date (Nov. 1, 1911), of all heights up to 150 feet and having an aggregate length of over 4½ miles. We have inaugurated a system of bimonthly bulletins on pungent engineering topics as viewed from the Bankers' standpoint. Send us your name for our mailing list.

sas? There were no agricultural or local deposits. It was through the great transportation business on the river at Atchison and Leavenworth, supplemented during the war by government work at various forts. The bankers then were enterprising, all-round men, conducting all sorts of schemes and work. They must have been impelled by the idea that there first had to be some production before there could be a safe, steady and dignified banking institution. An instance of the scarcity of money during the territorial days of Kansas may be inferred from the following incident which is said to have occurred to John Brown: One day Brown was notified that a letter awaited him at the postoffice and he immediately made a trip for the same, only to find that the missive would be surrendered upon the payment of a small charge for transportation, which was payable in coin. Brown did not have the amount with him, but promised to soon return with it. His search, however, developed the fact that his friends and neighbors were in the same fix. There was no money in the neighborhood. A month or six weeks later he secured sufficient change and got the letter. Brown received occasional remittances from the East, but generally speaking he was always in a state of impecuniosity. Gerritt Smith at one time sent him \$200 and Frank B. Sanborn was quite active in securing money for him.

A member of the Prairie City Town Company told me that in June, 1857, they induced S. S. Prouty to move his printing plant to Prairie City (now Baldwin). After a little while Prouty applied for expense money. They did not have a dollar among them, and they stood him off with the statement that his plant was not large enough for the town.

About all our people had friends or family connections back East. Enthused by the excitement over Kansas, they were easily worked in behalf of the suffering heroes on these plains. As late as the grasshopper raid of 1874 it was a common joke to ask a man on a railroad train, "Where are you going?" and the response would be, "Back to see wife's folks."

This meant he had to have another stake to get through the winter.

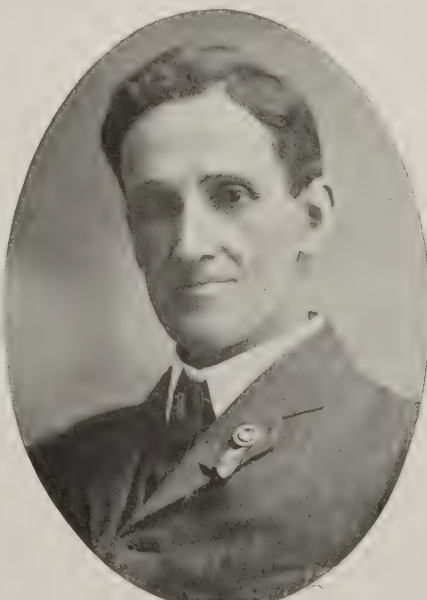
We talk about financing an enterprise, financing the Panama Canal, a railroad, and many sorts of projects, but there was great business done then by some one in financing the territory of Kansas. It was a great undertaking and very expensive for a region that many deemed a desert. But has the financing of any other scheme on earth paid better, in cash returns or in the comfort and happiness of mankind?

In one statement of the New England Emigrant Aid Company we find \$455,000 expended in Kansas, \$100,000 of which Pomeroy used in the drouth of 1860. Much of the balance was for town sites, saw mills and hotels. The Kansas National Committee prior to January, 1857, when it dissolved, sent to Kansas about

\$200,000. A report says that "one half of this value probably reached its destination; the remainder, during the disordered times of the summer and fall (1856) was interrupted and destroyed and appropriated by the numerous bands of pro-slavery regulators who infested the landings on the Upper Missouri plundering Free State emigrants in the name of law and order." A Boston relief committee by June 1, 1856, sent out \$20,000, and in the summer and fall of 1856 George L. Stearns gathered and sent \$80,000. Gerritt Smith's contribution to the Kansas fund was \$1,000 per month, which he continued until October, 1857. The widow of Lord Byron sent sixty-five pounds sterling, for the relief of the Kansas sufferers. The Massachusetts legislature appropriated \$100,000 but the governor stopped it by a veto. Vermont appropriated \$20,000 notwithstanding Governor Geary wrote the governor of Vermont that it was not necessary. There are innumerable statements of the raising of money for Kansas, but how much duplication there may be it is not my purpose to straighten out, or is it necessary to be accurate. It is enough to show that we were liberally financed. Daniel W. Wilder estimated the amount of anti-slavery money sent here to be about \$250,000.

There were three issues of scrip in territorial days, and being without a redeemer it is curious to know what became of it. We have occasional inquiries to this day as to the value of this paper. There was first the "Kansas State Scrip," issued to pay the expenses of the Topeka movement. It was signed by James H. Lane, president, and J. K. Goodin, secretary. We have a piece of this scrip for \$20 issued to Timothy McIntyre, a doorkeeper of the Topeka Constitutional Convention. He was one of the first settlers of Topeka. He was born in New Hampshire in 1819 and died in the Topeka Hospital of old age, November 10, 1910. The Chicago Tribune said there was \$50,000 of this paper issued.

Another issue was called the Kansas Protection Fund. We have a piece of this for \$130, and dated February 29, 1856, signed by



W. W. BOWMAN
Topeka, Kansas
Secretary Kansas Bankers Association



ESTABLISHED 1902

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STATE AND MADISON STS. CHICAGO.

The securities which we furnish, such as Railroad, Municipal and other high grade bonds, are of the character required by financial institutions in the investment of their funds. We invite banks and bankers to avail themselves of our Bond Department.

LUCIUS TETER, President EDWARD P. BAILEY, Vice-President JOHN A. McCORMICK, Vice-President WM. M. RICHARDS, Asst. Cashier	OFFICERS EDWARD J. PRESCOTT, Secretary JOHN C. ARMSTRONG, Asst. Secretary	F. O. BIRNEY, Asst. Secretary H. T. SIBLEY, Mgr. Bond Dept. H. L. SCHMITZ, Mgr. Real Estate Loan Dept. WILLIAM T. ANDERSON, Auditor
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CAPITAL ONE MILLION DOLLARS



C. Robinson; J. H. Lane, J. K. Goodin and George W. Deitzler. The full amount is stated at \$23,858 and it was to liquidate losses during the invasion of December, 1855. Governor Robinson secured donations in Massachusetts to redeem \$10,000 of the Protection scrip.

Another issue is known as "Free State Warrants." We have two samples of this issue, one for \$62, and one for \$18, dated March 15, 1856, signed by George A. Cutler, auditor of state, and issued under act of March 15, 1856, defining certain duties of the auditor of state.

The Historical Society also has among its curios quite a number and variety of bank notes issued in Kansas from 1854 to 1862, representing institutions at Fort Leavenworth, Leavenworth, Lecompton, Sumner, Lawrence, Atchison, Wyandotte. We can find no mention of organized banks at Lecompton and Sumner.

Another interesting feature of financing those days was the sale of town shares and lots. There was no bookkeeping in this line from which we might obtain something definite. On those days it was all velvet, and not like the latter day booms that usually pulled more men down than they made. Government land or no land at all was used; there was no occasion for surveyors or other expenses. There was no moral or political enthusiasm or conscience in this, so that the victims were suckers pure and simple. But the financial loss and heartaches, the busted hopes and ambitions, which followed town failures later, make an appalling story. Six or eight years ago I gathered material concerning lost towns in Kansas, covering in all only thirty-two counties. I have lately gathered about two thousand geographical names once familiar on maps and in our documents and publications; now these names are unknown.

The funds to carry on the free soil controversy and to maintain the same people through drouth, war and pestilence were not for charity aid or begging, but a legitimate expense in maintaining a great and very creditable movement of people. Those who invested their money in the territorial scrip referred to were not swindled; they were paying for a free soil state in Kansas, and the scrip was taken in the North freely and enthusiastically. One statement says that \$200,000 was sent from the South to western Missouri, ostensibly to buy land but really to affect the Kansas controversy. There was much talk in the South, but

little in a financial way was done. A southern orator said Kansas as a slave state would be worth to the South a tax of ten per cent on \$250,000,000 of slave property. Major Jeff Buford's expedition was the only organized attempt at colonization. Buford sold forty slaves at an average of \$700 apiece, or \$28,000, all of which he lost in his Kansas movement. His men were mostly sand-hillers, none of whom owned a negro, and hence they were of no use to the cause of the South in Kansas. The Yankee spent his money at St. Louis or Kansas City for wagons, and agricultural implements, and immediately went to work, but Buford's men were a great disappointment to him and he returned to Alabama broke. The grasshopper raid of 1874 caused great loss and disappointment, and while there was some meritorious begging there was much humbug. There was practically nothing here in 1860, so there can be no comparison.

When we consider the strength and importance of the banking interests of Kansas today, as in other lines of activity, the wonder is how the start was ever made. Probably the first advertisement of a bank in Kansas appeared in the Leavenworth Herald of July 12, 1856. It was called the "Banking and Exchange Office of C. P. Bailey, Jr., & Co., Delaware Street, Leavenworth." It reads thus: "Buy and sell time and sight bills on the principal cities in the United States, at the most favorable rate. Collections made and proceeds promptly remitted at current rates of exchange. Interest allowed on time deposits. Exchange for sale on the Royal Bank of London." Then followed a list of ten references. In his History of Leavenworth County, H. Miles Moore says: "Mr. Bailey opened up early in the spring of 1855, in a little one-story

frame building . . . on the north side of Delaware Street between Main and Second. Mr. Bailey was a timid man and his money more so. As things progressed rapidly in the summer and the boys began to get a little gay with their guns, he thought the town was getting too rapid for him, and he soon pulled up stakes and returned to Ohio, bank and all." Cutler's History mentions this as the first bank, but says its life was neither long nor vigorous.

The first bank failure was that of the City Bank of Leavenworth. It was opened in the winter of 1856-7. Henry J. Adams, the first Free State mayor of Leavenworth, was president; A. C. Swift, cashier; and F. G. Adams, a brother of the president, and for twenty-four years secretary of the State Historical Society, was also interested. It was a bank of issue located on Delaware Street, between Second and Third. It failed during the crisis of 1857 with heavy loss to its owners. A number of the red back two dollar bills of this bank are still in existence.

In Sutherland's Directory of the City of Leavenworth for 1859-60, there are eight banks advertised. In the list are the following who made great fame subsequently, and in various ways: D. R. Anthony, Clark, Gruber & Company, J. C. Hemingray & Company, Scott, Kerr & Company, and Smoot, Russell & Company. From other sources it is learned

F. E. FARRELL Established 1864 **E. E. CRABTREE**

F. G. FARRELL & COMPANY, Bankers
 Successors to First National Bank
JACKSONVILLE, ILL.
ACCOUNTS AND COLLECTIONS SOLICITED

GUARDIAN TRUST COMPANY OF NEW YORK

Invites the accounts of banks, trust
companies, corporations and individuals

EDWARD F. CLARK, President
LATHROP C. HAYNES, Vice-Pres. & Sec'y **ALFRED M. BARRET, Treas.**

Hathaway, Smith, Folds & Company Commercial Paper

137 South La Salle Street Chicago
 Correspondence Invited

**MOLINE
ILLINOIS**

Peoples Savings Bank & Trust Co.

Capital and Surplus \$400,000.00

Deposits over \$3,200,000.00

Solicits Accounts and Collections from Banks,
Firms and Individuals on Favorable Terms

WM. BUTTERWORTH, Pres. **NELSON H. GREENE, Vice-Pres. and Cash.** **R. C. SHALLBERG, Asst. Cash.**

**MOLINE
ILLINOIS**

Fidelity and Forgery BONDS

Burglary Insurance

National Surety Company

ILLINOIS ADVISORY BOARD

Charles G. Dawes, Resident Vice-President
A. J. Earling John S. Runnells

John A. Spoor, David R. Forgan, Resident Directors
Walter H. Wilson S. M. Felton George M. Reynolds

Joyce & Company (Incorporated)

General Agents

The Rookery Chicago



RESOURCES
\$ 4,000,000.00

ESTABLISHED
1864

TRANSIT BUSINESS

The First of Joliet has one of the most complete and efficient Transit Departments in the country.

BANK ACCOUNTS SOLICITED

George Woodruff, President
Frederick W. Woodruff, Vice-President John K. Bush, Vice-President
Andrew H. Wagner, Vice-President Henry O. Williams, Cashier
William D. Moore, Vice-President George Erb, Secretary
Alfred J. Stoops, Assistant Cashier

FIRST NATIONAL BANK
JOLIET, ILLINOIS

CONSERVATIVE INVESTMENTS

To Net 5½ to 6 per Cent

WE own and offer **First Mortgage Bonds**, based on the highest class of improved, income-producing, centrally located Chicago real estate, the total loan never being more than 50 per cent of the value of the security. We have sold such bonds to many banks, insurance companies, trust companies and trustees of estates in all portions of the country. ¶ No investor has ever lost one single dollar of principal or interest on any security purchased of us in the thirty years we have been mortgage and bond bankers in Chicago. ¶ Securities purchased of us are readily convertible, since it is our established custom to repurchase bonds or mortgages from clients when requested, at par and accrued interest, less the handling charge of one per cent. ¶ Write for *The Investors Magazine*, published twice a month.

SEND FOR SPECIAL CIRCULAR No. 50

S.W. STRAUS & Co.
INCORPORATED
MORTGAGE AND BOND BANKERS
ESTABLISHED 1882
STRAUS BUILDING, CHICAGO.



NATIONAL BANK OF COMMERCE IN NEW YORK

is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over
\$40,000,000.00



that from 1857 to 1859 four other attempts at banking were made, two of which left their mark: J. M. Larimer and J. W. Morris.

Smoot, Russell & Company opened a bank in the fall of 1855 at the southeast corner of Main and Shawnee in a stone building, the north wall of which collapsed when the street was graded. It was rebuilt of brick and still stands. This was one of the largest and most important private banks in the West. When the Majors, Russell & Waddell government freighting concern was removed, the bank was succeeded by that of J. C. Hemingray & Company in the same place. L. R. Smoot, W. H. Russell and W. B. Waddell were directors of the Atchison Branch of the Kansas Valley Bank of Leavenworth, which was authorized by act of legislature of 1857, but never materialized, although the Atchison Branch was organized. In this connection it is proper to speak of the immense business opened up in Leavenworth in the fall of 1855 by the Government Overland Transportation Company of Majors, Russell & Company. It built stores, blacksmith shops, wagon and repair shops, employed annually over four hundred wagons, 7,500 head of cattle and about 1,000 men. In 1858, upon receiving a contract for the government freighting for General A. S. Johnston's arm to Utah, they increased operations to the employment of 4,000 men, 3,500 wagons and teams, with over 40,000 oxen and 1,000 mules to haul the supplies. They also had a contract with the government for beef cattle, and it is said they had many contracts to the amount of more than \$1,000,000 a year. For the years 1855 and 1856 their profits footed up to about \$300,000. W. H. Russell was the financial genius of this firm as well as of the Central Overland California and Pike's Peak Express Company, of which he was president and manager. The founder of the freighting concern, Alex. Majors, the transportation genius, had begun his career freighting to Santa Fé in 1848 with an outfit of six teams. There is a memorial window in his honor in the dome of the Capitol at Denver, where he died in 1899.

August Blum

August Blum, vice-president of the First National Bank of this city, expects to leave the city on the 18th of June for a trip abroad.

PREVENTS PUNISHMENT OF DEFALCATORS

Business men who use methods which are not legitimate in promoting sales place themselves in an unenviable position when they find dishonesty in their organization. Ten years ago the Everett Audit Company of this city was retained to audit the financial records of a manufacturing concern with a result that was entirely unexpected to the officers of the corporation. While the records of the concern had been audited for years, certain dissatisfaction developed with relation to the reports of the previous auditor. The cashier of the concern had grown up with the business and was practically in the confidence of the executives in the conduct of the company. In a measure this was necessary, owing to cer-

tain payments of alleged commissions which were made to individuals in the employ of its customers. The product of the concern was such that it required an expert to determine its variable quality. The quality varied according to price, although it was always represented to be the same. The customer usually specified the quality desired and the price named secretly included the commission necessary to be paid to the individual passing on the quality. In verifying the payments of commissions based on the quantities sold to customers, a defalcation was uncovered. They exceeded by more than \$3,000 the amount which should have been paid. The records as a whole were efficiently kept in every other respect. Every payment for legitimate purposes was properly supported with approved invoices and other detailed information. In the course of the examination the cashier was seldom consulted, as the records apparently stated the transactions in a concise manner. When the report was completed and submitted to the officials they were completely astounded at the revelation of defalcation by the cashier. He acknowledged the alleged practice of inflating the commissions paid, but he did not seem interested in the amount involved for apparent reasons. He appreciated that his employers would not punish him for the manipulation of his cash, owing to the publicity which would result from prosecution. While immediately relieved of his position as cashier of the business, he was assigned to the sales department, of which he has complete charge to-day.

GRAHAM & SONS

Bankers

Steamship & Insurance Agents
Established 1857

Interest on Deposits—Accounts solicited
Money to Loan on Real Estate

Open Evenings—Hours 9 a. m. to 9 p. m.
661 WEST MADISON STREET, CHICAGO

H. H. Hitchcock

Howard H. Hitchcock, vice-president of the First National, is out of the city on a short vacation. Mr. Hitchcock is spending his time up in Canada.

Application has been received to organize the Cobden National Bank, Cobden. The new institution will be capitalized at \$25,000.

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President
L. C. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
J. M. HAYES, Assistant Cashier
WILLIAM K. ADAMS, Auditor

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Charles Schriber
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith

BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

With a reorganized and enlarged bond department in charge of Assistant Cashier E. A. Reddeman, the Germania National took its stand this week among the more aggressive bond agencies in the Milwaukee field. In a concise and boldly printed statement that is in itself a departure from the institution's former conservative methods, the bank announces itself ready to deal in fifteen varieties of securities, listed and carefully defined and recommended for conservative investment.

Milwaukee Banking Notes

Virginian Railway first mortgage 5 per cent fifty-year gold bonds are receiving a decided impetus in the Milwaukee market at the hands of the First Savings and Trust Company bond department.

For the second time within a few months, Henry Kloes, cashier of the First National, has found it necessary to take a vacation of indeterminate length to recuperate his health. He left his duties on Tuesday for a visit and rest with friends at Park Falls, Wis.

Milwaukee delegates to the convention of Group 6, Wisconsin Bankers Association, will leave for Antigo, the place of the meeting, on Tuesday night, May 28th, via a special sleeper over the Chicago & Northwestern northern line to Ashland.

Frederick Layton, retired banker, business man and philanthropist of Milwaukee, celebrated his eighty-fourth birthday anniversary this

week in New York. Mr. Layton has resided in Milwaukee for more than fifty years, the greater portion of which were spent in his Marshall Street residence. He will return from his visit in the East early in June.

The \$365,000 city of Milwaukee 4½ per cent bonds have been awarded by the commissioners of the public debt to the Wisconsin Trust Company at a premium of \$9,865. Nine bids were received.

The First Savings and Trust Company was named trustee of the bankrupt Romadka Brothers Co., at a creditors' meeting, early this week. The trustee's bond was fixed by Referee E. Q. Nye at \$10,000. The company also is receiver for the leather company, constituting a part of the Romadka interests, which went into bankruptcy a month ago.

Group 7 Elects Officers

The seventh annual convention of Group 7, W. B. A., at LaCrosse last week, resulted in the election, for the ensuing year, of the following officers: President, J. A. Thwing, La Crosse; vice-president, L. S. Marsh, Elroy; secretary-treasurer, W. E. Sprecher, Independence; executive committee, G. S. Grubb, Mauston; H. Lindemann, Viroqua. A. W. Barney, Sparta, was elected official delegate to the state convention in Milwaukee in July.

Madison Banks Will Not Merge

After months of negotiation during which it was announced several times that all the

details but the formalities had been arranged, the Capitol City Bank, the Bank of Wisconsin, and the Merchants Savings Bank of Madison have finally agreed not to consolidate. Inability to agree upon a location is said to be responsible for the dropping of the plans. If organized as planned the consolidated institution would have had a capital stock of \$600,000, constituting the largest bank in the state outside of Milwaukee.

Crop Conditions Below Those of 1911

Crop conditions generally in Wisconsin are but little better than 86 per cent as compared with 1911, according to statistics compiled by Secretary J. C. MacKenzie of the state board of agriculture, while the average of the eight principal crops is 94 per cent of that of 1911.

Reports indicate a general backward condition throughout the state, with clover, alfalfa, and winter grains killed in many sections. Damaging frosts have not appeared. Pastures are reported good, though backward. In the north the ground is in good condition at present, but with only a small average of spring grain sown.

Price of Paper Advanced

Increasing cost of wood pulp is the reason given by Wisconsin paper manufacturers for the immediate advance in the price of paper announced this week. The paper industry is said to be making alarming inroads on the supply of spruce and experiments with the purpose of finding a substitute for this timber,



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

OFFICERS AND DIRECTORS

JAMES K. ILSLEY, President	J. H. PUELICHER, Cashier
JOHN CAMPBELL, Vice-President	H. J. PAINE, Assistant Cashier
F. X. BODDEN, Assistant Cashier	S. H. MARSHALL
G. A. RUESS, Mgr. South Side Branch	R. N. McMYNN
J. H. TWEEDY, Jr.	C. C. YAWKEY
GUSTAV RUESS	

J. S. & W. S. KUHN INCORPORATED

INVESTMENT BANKERS

FIRST NATIONAL BANK BUILDING

CHICAGO

PHILADELPHIA

PITTSBURG

Guaranteed
Irrigation Bonds.
Guaranteed Water Works Bonds.
Public Service Bonds.
Municipal
Bonds.

There never has
been a day's delay in the
payment of either the principal
or interest on any bond
we have sold

which is more valuable as a building material than in pulpmaking, are being conducted at the two government forest product laboratories at Madison and Wausau.

Wisconsin News Notes

A new building for the recently chartered bank of Ashippun, near Oconomowoc, is in course of construction.

The state bank commissioner has authorized the incorporation of the Farmers State Bank of Minong, Washburn county, with a capital stock of \$10,000. E. F. Swanson is president, and F. T. Jenks, cashier.

M. C. Bergh, former state bank commissioner, has resigned as a director of the Stoddard-Postoy Company, a bond and mortgage house of Madison.

HARRIS SAFE DEPOSIT COMPANY

Harris Safe Deposit Company has issued a very attractive little booklet in which they set forth some of the advantages of the Harris Trust Building, of which they are the owners. The booklet is profusely illustrated, showing interior scenes in the building, among which are pictures of the interior of the safe deposit vaults, one of the vault doors and the storage room. The office building is a twenty-story fireproof structure located in the heart of Chicago's financial district, which makes it very desirable for large corporations, financial houses, insurance companies, lawyers, etc.

A CORRECTION

THE CHICAGO BANKER of May 11 printed a news item about an alleged embezzlement of the "cashier of the First National Bank of New York." This should have read "First National Bank of New Berlin, N. Y."

TRENTON (MISSOURI) NATIONAL

Among the flourishing banks of Missouri must be mentioned the Trenton National at Trenton. Located in a city that is in the very heart of an excellent farming region, this institution has had a steady growth since its or-



TRENTON NATIONAL BANK BUILDING

ganization in 1893. It has a capital and surplus of \$100,000 with deposits close to \$400,000. The resources are \$547,554.52. The Trenton National is a United States depository and takes a very live interest in state association matters. The officers are: W. E. Austin, president; C. H. Cullers, vice-president; W. H. Shanklin, cashier; C. N. Mason, assistant cashier.

CHICAGO BANKERS ATTEND MISSOURI CONVENTION

Among Chicago bankers who attended the sessions of the convention of the Missouri Bankers Association held at Joplin on Tuesday and Wednesday of this week are W. D.

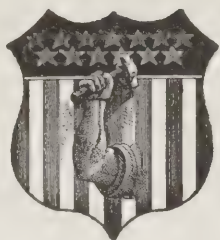
Dickey, assistant cashier of the National City Bank; R. F. Newhall, assistant cashier of the First National; J. Fletcher Farrell, vice-president of the Fort Dearborn National; Wilbur Hattery, assistant cashier of the Continental and Commercial National; James G. Wakefield, assistant cashier of the Corn Exchange National, and W. G. Edens, assistant secretary of the Central Trust Company.

Alex. Robertson

Alexander Robertson, vice-president of the Continental and Commercial National, has returned from a vacation in the South.

CHANCE TO REPAY GOOD SERVICES

The annual election of the Chicago Chapter of the A. I. B. will be held at Northwestern assembly hall on Tuesday, May 28th from 4 to 8 p. m. Contesting tickets are in the field for almost every office, and a close competition is on for delegate to the annual convention at Salt Lake City. Members of the chapter will have an opportunity to repay one of their most willing and effective workers—Otto J. Krampikowsky—who is on the ticket for the office of vice-president as well as delegate to the Salt Lake convention. His chances for election to both positions ought to be the very best. Mr. Krampikowsky has given valuable service on the press committee of the chapter, and as an editor of the chapter organ, "The Bank Man." That publication is in better financial condition to-day than ever before. Mr. Krampikowsky, also, was one of the chief workers in staging the chapter play, "Janitress Janet," which netted the chapter something like \$1,500 profit for a week's run.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

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G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, May 23.—Continued quietness marked the past week in the St. Louis money market. More seasonable weather had a tendency to enliven counter business at the various financial institutions, and the volume of loans shows a goodly increase over the preceding period. The country seemed more alive, and the movement of early small crops in the extreme South and Southwest is beginning to cut some small figure. Farm operations through the Middle West are progressing in better shape than since the opening of spring, and while backward, corn planting is on an enormous scale, and conservative authorities estimate an increase of fully 10 per cent in acreage over last year. On the whole the crop situation is much more hopeful than at the beginning of the month. In many sections where the wheat seemed hopeless, the fields are beginning to revive, and this is true of states east of the Mississippi River, where the prospects were worst and abandoned acreage largest on record. This has done much to restore confidence and increase purchasing by country merchants, which latter is reflected in sales by the large houses of the big wholesale district. The one blue spot is the flooded area, and there things are much better, with still much time left for putting in corn, potatoes and other crops. Over a large area of the South the sugar crop is conceded to be a complete failure, but this has been discounted by this time. Cotton, as a rule, is in excellent shape, with prospects for bumper yields in many important growing sections. Meantime general business is picking up, which fact is emphasized by a large gain in clearings, as compared with the past few months and the corresponding period a year ago.

Currency Reform Movement

St. Louis bankers and business men generally are beginning to take an active part in the currency movement. An enthusiastic meeting was held at the Business Men's League headquarters at which was instituted a campaign to raise \$50,000 to be spent in organizing Missouri in behalf of the National Citizens League. George A. Mahan of Hannibal, president of the Missouri section of the league, was present, and outlined the plans of campaign. This meeting has already borne fruit as the banks and trust companies of St. Louis, which are members of the local clearing house association, have contributed \$15,000. In addition other local financial institutions, not members of the clearing house, have subscribed nearly \$2,000. Festus J. Wade, president of the Mercantile Trust Company and the Mercantile National, is chairman of the committee representing the bankers. Elias Michael and G. W. Simmons

are representing the local business men, who have agreed to contribute about \$30,000. Joseph N. Fining, who is secretary of the Missouri section, is in charge of the offices here.

Situation Outlined

One national banker here has the following to say relative to the outlook: "On the whole, business conditions are as promising as the disturbed status which always accompanies a presidential year will permit. Our business prosperity is based on good crops, and my latest advices are that prospects are much more hopeful in an agricultural way. I doubt if the Middle West has ever been on a sounder financial basis than now. There is ample funds in our banks to finance anything that comes along, and financially this section is able to cope with any situation which may develop in the ordinary course of events. Once the political incubus is out of the way, business will move forward with strides. This has got to come as surely as the pendulum swings. It will not be merely a routing awakening, but an era of new enterprise will be ushered in."

Chouteau Trust Company

The Chouteau Trust Company elected three new directors at its annual meeting this week. They are J. D. Lukenbill, Dr. W. A. Fleming and Clifford Drozda, a son of W. S. Drozda, the president. Drozda was placed on the board as substitute for a man slated for director, but who could not qualify, owing to having acquired his stock since the books closed. Drozda will resign to give place to this gentleman. The retiring directors are Gerhard Kersens, Jacob Wilhelm, and F. L. Cornwell. There will be no change in the personnel of the officers.

Bank Clerks Celebrate.

The Bank Clerks Association has just celebrated its forty-third anniversary. The celebration took the form of a vaudeville show and banquet at the Mercantile Club. This organization, which is one of the oldest of its

kind in the country, has a membership of 507, and a remarkable esprit de corps. Incidentally it possesses a cash balance of \$45,000. Candidates for the board of managers to be voted for at the annual election were chosen in a business meeting preceding the banquet. They are: H. A. Bridges, John J. Sherrer, J. L. Hauk, A. Shenk, Hugo Boehl, George M. Willing, H. J. Brenner, J. H. Ruenheck, W. H. Dramman, F. W. Wrieden, O. J. Gossran, J. F. Ashoff, H. Haill, F. Falkenhainer, P. D. Walsh, W. P. Burkan, H. W. Kroeger, L. L. Hill and Harry Rein. F. W. Wrieden, president of the association, presided as toastmaster.

International Bank Opening

On Monday the International Bank formally opened its new and splendid quarters at the southeast corner of Fourth and Olive streets. The banking rooms were a bower of floral offerings, and several thousand persons visited the bank, including all the members of the local fraternity. The flowers were sent to the local hospitals by J. H. August Meyer, president of the bank. After years in its old quarters, which were of the type popular in Civil War days, the International Bank will shine like a maiden decked for marriage. The interior arrangement of the new quarters is up to date in every respect, being finished in marble and mahogany. There is an immense steel vault of the latest design, and every convenience for conducting a banking business. The old quarters at Fourth and Chestnut streets will be razed to make room for the new Sub-Treasury Building. The International Bank is one of the most solid and substantial financial institutions in the West. It has a capital of only \$200,000, but its deposits and business are large. The most recent quotation on its stock was \$345 bid, with no offerings.

Receiver Suit Dismissed

Judge Kinsey of the St. Louis circuit court this week dismissed the suit for a receiver for the Lincoln Trust and Title Company, and for the cancellation of the deal by which the Title Guaranty Trust Company absorbed the property of the former company, June 24, 1909. He held there was no evidence of fraud or misrepresentation in the transaction. The action was brought by George E. W. Luehrmann, Edward Luehrmann, and Guy B. Fulton, and was directed against the two corporations and seventeen officers and directors of the Lincoln Trust and Title Company. The plaintiffs, old stockholders of the Lincoln Company, did not favor the consolidation and alleged their stock depreciated when the Title Guaranty took over the other company.

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The Investment Department of this Company specializes in Real Estate Securities, Mortgage Bonds, First Deeds of Trust and First Mortgage Serial Notes.

W. G. EDENS AT CLINTON, IA.

A very urgent telegram which reached W. G. Edens of the Central Trust Company of this city on Monday morning decided him to go by way of Clinton, Ia., to the Missouri convention at Joplin. The train for Joplin left at 9:15, but, instead, Mr. Edens took the 12:15 Chicago & Northwestern train for Clinton, where he spoke at a monster night meeting and banquet held by the Commercial Club of that city. Clinton business men and bankers have been engaged in a Commercial Club membership campaign for some time based upon a proposition to build a one hundred thousand dollar club building. They have about completed their work and very much enjoy the strengthening of their organization. President J. H. Ingwersen of the Peoples Savings Bank and Trust Company has been an active spirit in the matter and it was mainly through his instrumentality that Mr. Edens' services as a speaker at the confirmation banquet were obtained. Mr. Edens left Clinton on a midnight trolley so as to intercept the Santa Fé at Fort Madison. Before returning he will go with other Chicago bankers from Joplin to the Kansas convention at Topeka, both the Missouri and Kansas conventions occurring this week.

DEATH CLOSES BANK

Sheboygan, Wis., May 21.—Following the death of Frederick Karste, its president, the German Bank of this city was closed to-day by A. E. Kuolt, state banking commissioner, at the request of the directors, who desire a thorough examination of affairs before resuming business. A. R. Emerson, bank examiner, will make the inquiry. Mr. Karste died yesterday of apoplexy.

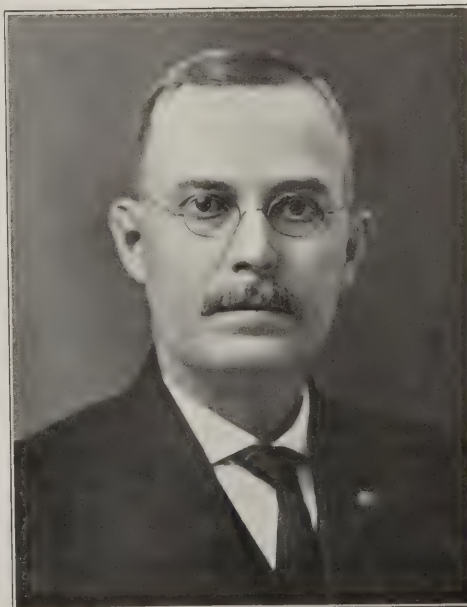
Missouri Convention

Joplin, Mo., May 22.—The Missouri Bankers Association has concluded a two-days session at this place, which, so far as attendance and general interest are concerned, practically

makes a new record. Headquarters have been at the Hotel Connor and the sessions were held at the Joplin Theatre, Seventh and Joplin streets. Delegates began to arrive on Monday evening and the registration department was opened in Parlor 231. The railroads had granted an open rate of two cents per mile, and trains were run from all sections of the state.

The first day's session began at 9:30 A. M., President A. H. Waite occupying the chair. The bankers were welcomed by Mayor Jesse F. Osborne on the part of the city, and by the Hon. Perl Decker for the clearing house. H. P. Wright of Kansas City responded for the visitors. Then came President Waite's annual address, which is printed elsewhere in this issue of THE CHICAGO BANKER. The report of Secretary W. F. Keyser of Sedalia followed this. Mr. Keyser reported an increased membership, which in the case of Missouri comes entirely from new banks, all of the old banks already being enrolled on the membership list. In respect to its efficiency Missouri Bankers Association continues the unrivaled leader in the field of state organizations. Mr. Keyser has had the good fortune to convince the bankers of his state that membership in his association is a profitable investment. He never speaks of loyalty or duty and never uses any other time-worn phrases in looking after new members. He convinces them that membership in his association practically is indispensable. He tells them that any other investment with anything like the same possibilities would be sought for eagerly by them. He proves it and that settles the question of membership. The non-member banks at present are those recently organized and which

(Continued on page 17)



E. E. MULLANEY
 Hill City, Kansas
 Treasurer Kansas Bankers Association

Editorial Comment

ANOTHER PRIVATE BANK CLOSES

Without intending to reflect upon those private banks which are conducted honestly, and with ability, attention is directed to the closing of another unsupervised, unincorporated institution in Chicago. In this case the proprietor was arrested luckily before he had made his "get away." The charge against him was failure to forward for a period of three months \$200, which had been paid to him by a depositor to be sent to his family in Lithuania. When arrested the banker pleaded guilty, and paid over the sum. News of the arrest and settlement, however, circulated rapidly among his depositors, and before he had time to ask for a receiver a line of fully four hundred men and women had formed in front of his place of business, demanding their deposits, amounting to fully \$40,000. "Banker" Haluska had taken warning, however, and at present writing his whereabouts are unknown. The depositor who secured the return of his \$200 remittance is the only one likely to escape heavy loss. Like a great number of his co-workers in the uninspected banking field, Haluska claimed always to have invested his deposits in sheep ranches, and in lands all the way from Wisconsin to northern Alberta. His friends now claim that the past winter caused the death of most of his sheep, and that the lands which he purchased practically are without value. To avoid argument it may be taken for granted that Haluska originally was honest in his intentions. He may have intended to reap as large a profit as possible out of his deposits and eventually to pay them back. When his troubles came as an "investor" he began converting deposits and remittances as a "banker" to his own use without even formally entering them on the books of the bank. So much for the uninspected, unincorporated banking business which is allowed to continue in the state of Illinois. Under a proper banking bill, carefully administered, a "bank" such as was run by Haluska could not open or operate. In conjunction with his "bank" he operated a loan bank, or pawn shop, a ticket agency, and a saloon, all of which were run with his depositors' money.

There is every promise at present that the special committee headed by Charles G. Dawes of the Central Trust Company will draft such an equitable new banking bill that the next legislature of Illinois can be prevailed upon to pass it. If the bill can be so constructed that private bankers are given time to convert without loss their present assets into such collateral as will be recognized by the state banking department and bank inspection can be made a charge upon the funds of the state instead of those of the small banks, new and better conditions ought to come about whereby depositors will not be robbed of their savings. The state should not permit irresponsible

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

banking nor should it allow ignorant depositors to be deceived by the further use of the terms "bank" or "banker" in cases where, in reality, no such thing exists.

FINDING HOMES FOR IMMIGRANTS

For many years this paper has advocated stipulation ports of entry for immigrants, compelling them to land at southern ports where labor is in great demand rather than to disembark at New York and Philadelphia to add to the congested population of unskilled workmen at these points. No such law has been put upon the statute books, but the bureau of immigration and naturalization, a department of the bureau of commerce and labor at Washington, has undertaken to promote a beneficial distribution of admitted aliens and other residents among the several states and territories desiring immigration. The work has been divided into five important departments, and states, cities or counties may make application for settlers, requesting laborers or men having other occupations than farm work. One division is devoted to requests for farm laborers and another deals with those owners of land who wish to rent or sell on favorable terms. Another division takes care of the question of domestics for household purposes. The chief function of the government in the matter is ended when it has furnished the desired information as to where employment may be obtained or where land may be purchased for farming purposes. So far as possible immigrants speaking the language of the community are directed to those points where they will be among their fellows. The government makes a very strong point in attempting to learn just how many will be employed, upon what terms and whether or not transportation will be furnished to the point desired; also, whether or not return transportation will be furnished in case employment is not given. All applicants for immigrant help are forced to go into the minutest of details, which are clearly set forth upon the blanks furnished. Each applicant for a position is obliged to furnish a complete schedule of his attainments in the way of training for the work specified. This is put down carefully in writing so that future disputes may be avoided between the

employer and the employee. Anyone interested in securing farm help or settlers for any specific community will do well to write fully the particulars to the immigration bureau at Washington. Prompt response will be made in every case.

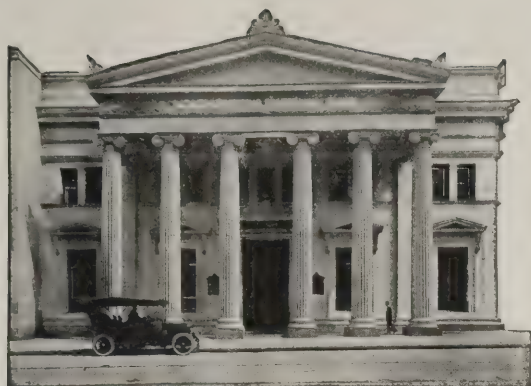
EARLY BANKING IN KANSAS

By arrangement with Secretary W. W. Bowman, George W. Martin, secretary of the Kansas State Historical Society, has prepared a most interesting historical sketch on early banking in the state of Kansas. Kansas had its origin in 1857 and Mr. Martin shows us how absolutely devoid the people were of the circulating medium by relating an incident of how the famous John Brown was prevented from taking a letter from the postoffice for nearly two months because neither he nor any of those among all of his neighbors had the necessary small coin to pay the postal charges. Mr. Martin goes very fully into the early financing of the state and tells graphically of the fugitive attempts to start banks at the various central points. He makes it pretty plain also that the state in its earliest days would have benefited by such a citizen as J. N. Dolley, for there were land sharks and town-site sharks almost without number. Nearly two thousand towns which figured on the records in the real estate transfers now are forgotten names. The historical sketch as prepared by Mr. Martin will be printed in three numbers of THE CHICAGO BANKER and will be found a most interesting contribution to banking history. Many of the early names became famous in after years and the state of Kansas to-day probably shows up with nearly two hundred millions of deposits in her own territory and half that much more across the line in Kansas City, Mo. Kansas has contributed some great names in finance as well as in statesmanship, and no doubt produced as many of the unexpected turns of fortune in the same number of years as were produced in any other state in the Union. Every banker in the great West will be highly entertained and greatly informed by reading the three articles prepared by Mr. Martin.

LOS ANGELES RAILWAY BONDS

"At par and interest" the Continental and Commercial Trust and Savings Bank is offering a very attractive 5 per cent gold bond, issued by the Los Angeles (Cal.) Railway Corporation. The bonds are in part of a \$20,000,000 closed mortgage issue, legal for savings banks in California, even in face of the restrictions of the new banking law. The Continental and Commercial recommends them for investment, and it isn't likely that the half million in hand will last long. Vice-President G. B. Caldwell will be pleased to give further information.

The Girard National of Philadelphia has raised its surplus by \$500,000 to \$4,500,000.



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

is justly proud of the record it has made in forty years of service to the public. A steady but conservative growth during this time has placed it in the first position in its territory with a capital and surplus of \$5,000,000.00. In addition to strengthening its own resources it has paid to its stockholders

Five Million Dollars in Dividends

which is an average of over eight per cent annually since organization.

ACCOUNTS OF BANKS IN ITS TERRITORY ARE DESIRED

MISSOURI CONVENTION

(Continued from page 15)

have not yet begun business. The membership stands at 1,372 banks, trust companies and brokerage firms.

During the year Mr. Keyser's office sent out nearly seventy-five thousand pieces of mail of which twenty thousand were special letters. He does not believe in burdening the membership with unnecessary bulletins which have become such an interminable nuisance in some of the states. A matter to get publicity in Missouri through the state association must be one of common interest to the members.

Missouri prides herself on the efficiency of the committees appointed by the association. It is believed that any lukewarm member who will take the time to hear the reports of committees read at the annual meeting and to examine the literature sent out will be firmly convinced of the good work that is being done in his behalf. The council of administration is reported to have sat down emphatically on the movement to establish a bank supply department and the opinion prevails generally in the membership that the association should not be converted into a mercantile establishment. During the year Missouri chapters have been admitted to membership, and the council voted to donate \$1,000 to any city entertaining the conventions. This is on account of the largely increased attendance from year to year. A falling off was reported in the number of bank burglaries as compared with the previous year, there being only four successful burglaries in the state during the year.

Missouri has changed her fidelity bond and burglary insurance business to a new company, after a thorough investigation by a committee composed of three distinguished ex-presidents—Messrs. J. P. Hinton, W. C. Harris and A. O. Wilson. These men are experienced in the affairs of the association and are prepared to take up such work as was delegated to them. The membership is entirely satisfied with the result of their efforts in the matter. The total commissions collected by Mr. Keyser as state agent amount to almost \$9,000 and the amount of insurance in force is nearly fourteen millions. Mr. Keyser does all the work of the association with two assistants and looks after the interests of all the banks in the state, with capital stock of practically ninety millions, surplus and undivided profits of a like amount and assets of 853 millions. Following Mr. Keyser's report J. B. Jennings, the treasurer, and all of the group chairmen were heard, which completed the morning's session. In the afternoon the group secretaries reported organizations effected during the interval between the morning and afternoon meetings, and were followed by J.

Adam Bede of Minnesota on the "Pursuit of Happiness," a humorous address which was read before the Illinois bankers at Springfield last year. S. M. Jordan, head of the Pettis County Bureau of Agriculture, spoke on the banker's policy toward the farmer. This is a most interesting paper and will be found in full in another part of this issue. W. F. Gurley of Omaha spoke on the "Peril of the Hour," which concluded the afternoon session. At 5 p. m. the committee on nominations met to select the candidates for the ensuing year.

On Wednesday morning J. Thralls, manager of the Kansas City clearing house, reported for the Missouri chapters of the A. I. B. Wm. J. Burns, head of the Burns National Detective Agency, was next on the program and was followed by a report from W. Bonyng of Denver, who is on a speaking tour for the National Citizens League in behalf of the national reserve plan for the reform of our banking and currency system. The afternoon was given up to the discussion of legal subjects under the direction of William McC. Martin of St. Louis and reports of standing committees. Two reports which attracted a great deal of attention were those of Thornton Cooke of Kansas City on bank taxation, and by J. A. Lewis of the National Bank of Commerce at St. Louis on bills of lading. W. C. Gordon reported a number of amendments to the constitution and by-laws. The convention concluded with the election and installation of the new officers.

Among the social features presented by the bankers of Joplin were a reception for the visiting ladies on Tuesday afternoon at the home of President and Mrs. A. H. Waite. In the evening there was a general reception at the hotel and a grand ball in the main dining-room, followed by a smoker and vaudeville

entertainment on the roof garden. On Wednesday morning the visiting ladies were treated to automobile rides throughout the city and in the afternoon visitors and delegates were taken for a trolley ride around the belt line of the Southwest Missouri Railroad and visited one of the largest zinc and lead smelting companies in the world. On Wednesday evening there was an electrical display at one of the amusement parks to which all the visitors and delegates were invited. The official convention badge admitted to all the entertainments furnished.

The big Missouri convention concluded its session on Tuesday evening by installing R. R. Calkins of St. Joseph as president for the forthcoming year. Treasurer J. B. Jennings of Moberly was advanced to the vice-presidency, and R. S. (Dick) Hawes of the Third National at St. Louis was elected treasurer, which position carries with it the certainty of the presidency later on. The next convention in all probability will be held at St. Joseph, the home of President Calkins. Missouri members of the A. B. A. elected J. S. Calfee of the Mechanics-American at St. Louis to membership on the executive council, naming A. D. Buckner of Paris provisionally. In case enough members of the A. B. A. are secured between now and the meeting at Detroit Mr. Buckner as well as Mr. Calfee will be qualified to sit on the Big Council. Among those from Chicago who left on the special train for the Kansas convention are W. G. Edens of the Central Trust; J. Fletcher Farrell of the Fort Dearborn; W. D. Dickey of the National City; R. F. Newhall of the First National, and Wilbur Hattery of the Continental and Commercial.

E. E. Crabtree

Ex-President Crabtree of the Illinois Bankers Association was up to the Cub ball game the other day, attending to a little banking business on the side. Mr. Crabtree is underscored for member of the A. B. A. council this year. For the other vacancies there is talk of John Fletcher, J. F. Hagen, Wm. C. White, J. M. Hurst, H. E. Otte, G. A. Ryther and others. There must be a special meeting at or on the way to Detroit or Illinois will have to lose two votes on important matters. By shifting her convention dates about so much Illinois keeps "balled up" to the discomfort and disadvantage of her eligibles.

Beautifully engraved invitations have been issued over the signatures of President E. J. Curtin and Secretary P. W. Hall for the Iowa bankers convention to be held at Cedar Rapids on June 5th and 6th.



CAPITAL
\$2,000,000.00

SURPLUS
\$1,000,000.00

For over half a century we have withstood every financial crisis that has befallen the Nation, including the period of the Civil War. **C.** Your account carried on the books of a solid, conservative bank adds prestige to your name. **C.** Correspondence and interviews solicited.

WE CAN SERVE YOU WELL

EDWARDS WHITAKER	President
MURRAY CARLETON	Vice-President
WM. H. THOMSON	Vice-President
ERNEST M. HUBBARD	Cashier
E. L. TAYLOR	Assistant Cashier
C. R. LAWS	Assistant Cashier

Capital, \$2,000,000

Surplus, \$2,000,000

Deposits, \$38,000,000



OFFICERS

C. H. HUTTIG, President

G. W. GALBREATH, Vice-President

R. S. HAWES, Vice-President

T. WRIGHT, Vice-President

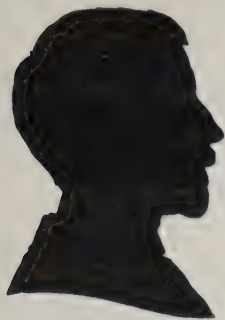
J. R. COOKE, Cashier

D'A. P. COOKE, Assistant Cashier

H. HAILL, Assistant Cashier

E. C. STUART, Assistant Cashier

Superior service and courtesy are the basic reasons for our growth



THAT Everett Service is productive of good results is substantiated by the fact that the Everett Audit Company has clients it has been serving continually for years. The good service it renders its clients assists in procuring many other concerns as clients.

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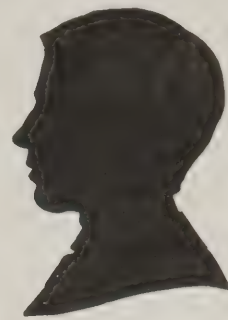
John Everett, C. P. A., President

Everett Audit Company

Randall J. Everett, Secretary

Chicago
79 W. Monroe St.

Eric J. Everett, C. P. A., Vice-Pres.



President A. H. Waite, at Joplin, Endorses Kansas Banking Law

Tells Missouri bankers it is greatly superior to their own—comes out strongly for agricultural education, good roads and association loyalty in insurance matters

Many things have happened since our last annual convention. Our association has made satisfactory progress and has attempted to keep pace with the times. Many new things have come up to attract our attention. Most all of them are important and the banker is certainly interested in the growth and in the prosperity of the country and the people. Those who are active in the interest of the association at all times are engaged in bringing to your notice, and are untiring in their efforts to interest you in, all the reforms looking to better and more practical methods. All are interested in better laws, and are endeavoring to keep pace with the rapid advancement in all lines of business and commerce. The laws and the methods and the things that once served their purpose are no longer of use because of the great strides made by our people and our country.

The National Monetary Commission appointed by congress, as you know, has spent much time and money in research. This commission, made up of men who stood for ability and honesty of purpose, went forth, and as a result of their investigations, made their report to congress, and it is a well-known fact and so acknowledged by the great minds at home and abroad, as a most wonderful report or recommendation, and that its construction and its application are most marvelous. All the safeguards have been used and thrown around and about it. This recommendation has been introduced into congress under the name of the National Reserve Association, and perhaps there never was a bill presented to that body that represented such thought and care in its preparation. As much as this means to the people and to the business world, it is to be regretted that its greatest danger is politics, for it was scarcely sixty days old when one senator from a western state arose and said: "I, as a democrat, am opposed to the suggestion of a central bank, as recommended by the former senator from Rhode Island. It is incumbent upon the democratic party to present some measure in opposition to that measure." He did not say that it is incumbent to present something better, and that congress should join and give to the people a more modern financial system commensurate with their needs, but it was his thought that he must present some opposition. We can have a currency system that will care for the people if the people are let alone. This committee before spoken of has, to your certain knowledge, spent days and nights and weeks and months, with nothing else in view but the single thought that we should have the best. We owe a debt of gratitude that can best be paid by our appreciation and aid in the absence of anything better, and believing

that the bill is as near perfect as the human mind can produce at this time. Each and every one of you owe this debt, and it must be paid. Nearly one hundred million people of the United States are looking for relief and the National Reserve Association, to my mind, is a sure remedy and the proper solution.

We have heard a great deal of late about the money trust, and this especially comes from the man who is unable to borrow. In my opinion, there is no such thing as a money trust in the sense of a combination restricting trade, etc. There always has been, there is to-day, and there always will be, a group of leaders of finance as in all other lines, who have tremendous power, but power vanishes quickly when abused. Great financial institutions are a source of strength and not a menace to the country, and should be regarded with pride and not with anxiety. This is one of the definitions given for the two words: "Money Trust is the great co-ordinate body

of finance, recruiting, mobilizing, capturing the armies of capital in the warfare against waste, non-use or immoral use of men." Money and energy mean organized efficiency. They are the enemy of none, and the enemy of nothing except the enemy of inefficiency, incompetency, stupidity and waste in the conduct of the business affairs of our country.

The past year has not been free from the burglar and the criminal class; still the losses for the last year have been but slight. While at this time bank robbery is almost a lost art and almost a thing of the past, it is largely due to our reward fund which enables us to pursue, capture and prosecute, and in ridding the state of this most desperate and dangerous criminal. We have always had criminals and we always will have men who think it is much easier to live without work, especially when they are encouraged by the ease with which they are able to work the Missouri banker, and while there are so many "easy ones," it is beyond explanation why these things are done, for nearly every week in the year, you are advised by the press or the secretary of the association that some bank or banker in your association has been defrauded, and still it continues, and the officers of the association are asked to offer a reward to apprehend the criminal, and if the association does not immediately offer a reward, some member thinks the association is at fault, and does not do its duty. The facts are it is the duty of the association to apprehend and convict criminals, for that is the only thing that reduces crime, but I do not believe that a bank should call for aid and assistance for every little offense committed, when the banker himself is so careless and thoughtless, which makes crime so easy. The prosecution of the criminal is one of the important works of the association, and we have abundance of evidence, and we have members who do and can testify to the actual and practical benefits received by being members of this association.

We are to be congratulated that we have but one association, and not two associations as some of our state. We are united. You are to be congratulated on the loyalty, and for your moral support. You should never miss an opportunity to be of use to the association, for it never misses an opportunity to be of use and a friend to you. This brings me up to the membership of the association, which has been so well maintained and so important, and so necessary is it to be a member of this association, that a bank scarcely comes into life, and hardly opens its doors before application is made for membership. This is as it should be, for the association is worthy of your support, and you should give it your financial

(Continued on page 30)



R. R. CALKINS
St. Joseph, Missouri
Vice-President Missouri Bankers Association

NATIONAL BANK OF COMMERCE

KANSAS CITY, MO.

ESTABLISHED 1865

Capital, \$2,000,000

Surplus, \$500,000

GEO. D. FORD, Vice-President
J. J. HEIM, Vice-President
WALTER S. DICKEY, Vice-President

J. W. PERRY, President
W. L. BUECHLE, Vice-President
CHAS. H. MOORE, Vice-President
JAS. T. BRADLEY, Cashier

CHAS. M. VINING, Assistant Cashier
W. H. GLASKIN, Assistant Cashier
JAS. F. MEADE, Assistant Cashier

R. T. FORBES - President
J. E. COMBS - Cashier
R. S. BRITTAIN, Asst. Cashier
R. N. RIDGE - Auditor

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Of Buchanan County

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CAPITAL \$500,000
SURPLUS 300,000
ASSETS 6,500,000

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offer you exceptional facilities
Correspondence invited ::

Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

"I consider the banking situation in the Central West entirely satisfactory," said J. R. Dominick, president of the Traders National of Kansas City, to the correspondent of THE CHICAGO BANKER last week. "Of course the business revival has not been as sharp or as decisive as we could have wished. The spring season has been backward, and this has had a stagnating effect upon seasonable merchandise. But fundamental conditions are sound. The outlook for crops is most encouraging for this time of the year. The many banking meetings in this territory has brought most of the bankers into touch with each other in one way or another, and the interchange of ideas and information lends much encouragement to the future."

Tootle-Lemon National's Report

The monthly financial letter of the Tootle-Lemon National of St. Joseph, Mo., issued last week says that general trade conditions of the Central West are fairly satisfactory. Weather conditions have been abnormal so long, it is said, as to seriously check business in seasonable merchandise, but the situation is improving, and it is reasonable to look for favorable developments in the near future. Agricultural implements are having a good sale, some large shipments being made. There also is a better demand for many lines of general produce. Jobbing trade, the letter says, on the whole is not discouraging and retail establishments are showing up well. The stockyards continue to do a good business, and it looks like the supply of cattle would enlarge before long. Generally speaking, collections are getting better. Sentiment in this section may be described as quietly optimistic about the future, although there is no disposition to exaggerate to the extent of the improvement already seen or to attempt speculative buying on a large scale.

Central West Notes

The abstract of the condition of the national banks of Nebraska, exclusive of reserve cities, at the close of business on April 18th, as reported to the comptroller of the currency, shows the average reserve held at 15.38 per cent as compared with 15.92 per cent on February 20th. Loans and discounts decreased from \$52,925,933 to \$52,260,126; lawful money from

\$3,788,968 to \$3,737,372; individual deposits from \$54,543,176 to \$54,047,781.

The question of the legality of the bonds recently voted by Buchanan county, Mo., of which St. Joseph is the county seat, to the amount of \$1,000,000 for good roads, has been settled by experts employed by the St. Joseph chamber of commerce.

The Conservative Trust Company of Lincoln, Neb., has filed articles with the Nebraska secretary of state, changing its name from the Conservative Trust Company to the Conservative Investment Company, and has amended its charter to enable it to carry on a trust business.

The German-American State Bank of Atchison, Kansas, has been incorporated with a capital of \$50,000.

Fred A. H. Garlich of St. Joseph, Mo., delivered a lecture last Thursday before the Kan-

sas league of savings and loan associations at Topeka. His subject was: "System of Accounts for Savings and Loan Associations."

William J. Burns, head of the William J. Burns National Detective Agency, who addressed the meeting of the Kansas Bankers Association in Topeka last week, stopped off in Kansas City Saturday afternoon, and gave a lecture for the benefit of the Visiting Nurses Association.

The bankers of Marshall county, Kansas, are seeking to encourage the raising of more wheat and corn to the acre, and have contributed a cash fund for the six farmers of the county, who make the largest yield of these cereals per acre. The money for each crop is divided into three prizes. The cash prizes amount to \$50. Each banker will attend to the contestants in his district.

J. T. M. Johnston, president of the National Reserve Bank of Kansas City has gone to New York with Mrs. Johnston, who will sail for Europe to spend the summer with the Misses Johnston, who are in school in Paris.

Guy W. Riggs of the American State, Wichita, Kan., has won a silver cup trophy in the adding contest conducted by the Wichita Chapter of the American Institute of Banking. Mr. Riggs added one hundred checks on an adding machine in one minute and 48 seconds.

Judge William A. Day of New York, president of the Equitable Life Assurance Society, was a visitor in Kansas City last week. His company has nearly \$10,000,000 loaned on real estate in Kansas City and surrounding territory.

O. E. Durham, for the last five years private secretary to Wm. T. Kemper, president of the Commerce Trust Company of Kansas City, has resigned and will become cashier of the Bank of Hinton, Hinton, Okla.

The Texas banking department has approved the Commercial National of Shreveport, La., as reserve agent for the Guaranty State of Ore City, Texas.

R. C. Menefee, treasurer of the Commerce Trust Company of Kansas City, is on an extended trip in Kansas, Oklahoma and Texas investigating conditions.

Commercial National Bank

OF KANSAS CITY, KANSAS

Statement of Condition at Close of Business
April 18, 1912

RESOURCES

Loans and Discounts.....	\$3,155,881.36
Overdrafts.....	2,737.57
Banking House.....	56,000.00
U. S. Bonds.....	300,000.00
Other Bonds and Warrants.....	351,957.61
Cash and Sight Exchange.....	2,606,387.91
Total.....	\$6,472,964.45

LIABILITIES

Capital Paid in.....	\$ 300,000.00
Surplus and Net Profits.....	315,708.90
Circulation.....	299,000.00
Deposits.....	5,558,255.55
Total.....	\$6,472,964.45

OFFICERS AND DIRECTORS

P. W. GOEBEL, President	SCOTT HOPKINS
C. L. BROKAW, V-Pres. and Cashier	W. T. MAUNDER
G. J. BISHOP, Ass't Cashier	E. S. McANANY
J. V. ANDREWS	GEORGE STUMPF
K. L. BROWNE	LAPIER WILLIAMS
J. R. CHAPMAN	
J. C. FALCONER	

J. R. DOMINICK, President
E. J. COLVIN, Vice-President

J. C. ENGLISH, Cashier

F. H. WOODBURY Jr., Asst. Cashier
F. L. ALEXANDER, Asst. Cashier

Condensed Official Statement of the
Traders National Bank
OF KANSAS CITY, MISSOURI

at the Close of Business April 18, 1912

RESOURCES

Loans and Discounts.....	\$1,949,845.10
Furniture and Fixtures.....	12,000.00
United States Bonds.....	200,000.00
Kansas City, Missouri, Bonds.....	20,000.00
Redemption Fund.....	9,500.00
Cash and Sight Exchange.....	956,287.20
Total	\$3,147,632.30

LIABILITIES

Capital Stock.....	\$ 200,000.00
Surplus and Net Profits.....	46,296.94
Circulation.....	200,000.00
Deposits.....	2,701,335.36
Total	\$3,147,632.30

The Above Statement Is Correct, J. C. ENGLISH, Cashier

DIRECTORS

GEO. W. FULLER
ELLIS SHORT
O. V. DODGE

J. R. DOMINICK
FRANK H. WOODBURY
E. J. COLVIN

SANFORD B. LADD
A. J. POOR
J. C. HILL

J. C. ENGLISH
C. C. CLEMONS
CHAS. WEILL

V. K. SAMMONS
W. J. CAMPBELL
V. E. SCHUTTE

Kansas Convention

Topeka, May 24.—The Kansas Bankers Association has been celebrating its silver anniversary by holding its twenty-fifth annual convention here this week. It was the greatest turnout of bankers and guests ever seen within the borders of the commonwealth. Secretary W. W. Bowman has been untiring in his efforts to make it the one grand occasion of his career. Registration began as early as 7:30 in the morning and was kept up throughout the sessions of the convention. Bankers and their wives began to arrive on Wednesday the 22d, being drawn early that they might attend an informal reception at the home of Mr. and Mrs. E. H. Crosby. The convention assembled the next morning at 10 o'clock in Representatives Hall. The building and loan section convened in the supreme court room. Attorney-General John S. Dawson welcomed the visitors and the response was made by J. P. Moore of Holton. President John R. Lindberg delivered his annual address and President William Livingstone of the American Bankers Association spoke on "Banks as Factors in the Development of a State." The distinguished Detroitier is a very interesting and eloquent speaker and intersperses his serious matter with a series of stories and witticisms in a manner which keeps the double interest of his audience. A humorous number followed President Livingstone, being a recitation in French-Canadian patois by Edward W. Thompson. At the afternoon session on Thursday there were talks by William J. Burns of the Burns National Detective Agency, New York; by Warden J. K. Codding of the Lansing state prison, and by J. Laurence Laughlin of Chicago on monetary reform. On Thursday evening the guests and

visitors were entertained at the Grand Opera House at a play given by Margaret Illington. On Friday morning the session opened with an address by George W. Martin of Topeka on "A Chapter from the Archives." The convention then heard Judge C. E. Lobdell on legal questions and the session closed with a talk by Commissioner J. N. Dolley on "Departmental Regulations." The fourth and last session of the convention occurred Friday afternoon at two o'clock. B. F. Harris of Illinois spoke on "The Banker and His Relation

to the Public Welfare," and W. E. Higgins of Lawrence and professor of law at the state university, spoke on the administration of justice. Ex-Governor W. J. Bailey of Atchison then presided at a general discussion touching upon the repeal of federal bankruptcy law; a modification of existing exemption laws; a deed of trust law; a mortgage tax law, and more perfect uniformity in the banking laws of the states. The election and installation of officers closed the convention.

It has been the custom at the Kansas conventions for a number of years to have the ladies meet together for a convention session of their own. This year they met at the home of C. W. Snyder, and after a formal organization papers were read and discussion had on topics interesting to those present.

Chicago visitors had much pleasure in meeting President John R. Lindberg, a former resident of Henry County, Illinois, who had the honor of presiding over the largest convention ever held by the Kansas bankers. The registration was more than nine hundred. Elmer Ames of Topeka was elected a member of the A. B. A. executive council and Ex-Governor W. J. Bailey of Atchison was elected a member of the nominating committee. W. J. Burns of the Burns National Detective Agency and Prof. J. Laurence Laughlin of the University of Chicago easily made the hits of the convention. Mr. Burns' talk was especially enjoyed by the bankers and delegates present.



M. H. MALOTT
 Abilene, Kansas
 Vice-President Kansas Bankers Association

CENTRAL NATIONAL NEW BUILDING

Central National Bank of Peoria is having plans prepared for a ten-story bank and office building, which will cost about \$250,000. The architects are D. H. Burnham & Co. of Chicago.

TEN YEARS' PROGRESS

In the Surplus and Deposits of the

Security National Bank Of Minneapolis

Surplus and Profits

1902, \$ 160,000
1912, 2,100,000

Deposits

1902, \$8,000,000
1912, 20,000,000

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Much making of banks interests the financial men just now. Hardly had announcement been made that a bank with \$250,000 capital was to be started in the Masonic Temple than another story got out that a similar, or larger bank, would be installed in the Lumber Exchange, which has a banking room still under lease to the former Minnesota National, until the Federal Securities Company took it over, Saturday, with furniture and fixtures invoiced at \$15,000. With \$25,000 spent by the Lumber Exchange Company in preparation for the bank the expenditure was a good start on \$40,000. The lease has eighteen years to run. A trust company is a possibility, also, which may or may not beat the bank to the lease. Among the interested men are J. S. Porteous, president of the Flour City National at the time of its liquidation; Guy C. Landis, cashier once of the same bank; R. W. Akin, Anoka State; B. A. Cummings, vice-president First National, Pierre, S. D.; August Peterson, cashier First National, Harvey, N. D., of which Mr. Akin is president also. Others are said to be F. E. McElhenny, Waterloo, president of the Iowa Life Insurance Company; F. E. Forest, South Dakota capitalist. Stock in the bank is said to have been subscribed twice over and it was necessary to do some eliminating to keep the matter within bounds. Plans are made to enlarge the banking room.

First District Group Meeting

The first district group of Minnesota bankers met Thursday and Friday in Rochester, May 23-24. Thursday evening was devoted to registration, followed by a smoker in the Zumbro hotel. Friday morning, following the routine business session, George B. Caldwell of the Continental and Commercial National Bank of Chicago spoke on "The Times from a Banker's Standpoint." J. W. Wheeler of the Capital National Bank of St. Paul gave an address on "The Agricultural Development and Education in Minnesota." In the afternoon

C. D. Brown spoke on "Our Protective Department," and D. C. Armstrong of Albert Lea, vice-president of the Minnesota Bankers Association, had charge of a round-table.

At the close of the session the visitors were entertained by an automobile ride, followed by a luncheon in the hotel. The wives of the Rochester bankers had arranged entertainment features for wives of the visiting bankers.

E. W. Decker Entertains Employees

Two hundred and twenty-one employees of the Northwestern National and the trust division were guests of President E. W. Decker last Saturday at his 42-acre farm at Holdredge, Lake Minnetonka. The place might be named Violethurst, for it was to pick violets that Mr. Decker invited his guests, he intimated. The Minnesota Loan and Trust Company team beat the bank team at baseball and got a loving-cup from Mr. Decker. Forty-one of the excursionists were girls.

Kelsey S. Chase

Kelsey S. Chase, Minnesota state superintendent of banks, is preparing a bill to be introduced at the extra session of the legislature, if that body takes up any measures other than the three designated by the governor in his call. Mr. Chase's bill is aimed at the sale of "blue sky" and "wildcat" stocks in Minnesota. The measure will require all persons selling stock to take out a state license. It requires a financial statement of the affairs of the company. Licenses will be made revocable.

For Better Farming

Bankers and business men of the southwestern part of North Dakota met May 16th to form a bankers' group to affiliate with the state association. Senator Wesley C. McDowell of Marion, former president of the state association, was in attendance, and Thomas P. Cooper, Fargo, secretary and director of the North Dakota Better Farming Association.

The object of the group association is to place farm demonstrators in each county of the state. Bankers, manufacturers, wholesalers and other business men have agreed to contribute annually for three years to promote these better farming methods. The bankers association is to assist each county by putting up dollar for dollar to defray the expense of placing demonstrators to assist and instruct farmers.

The slope country has been the only section of the state without an organization to carry on the work. Remarkable enthusiasm is now aroused and demonstrators will be placed in some of the southwestern counties at once.

Sixth District Group Elects Officers

Officers were elected by the sixth district Minnesota bankers, at Little Falls, May 15th, as follows: President, E. H. Sherwin, Monticello; vice-president, J. K. Martin, Little Falls; secretary-treasurer, Charles F. Knapp, Big Lake; executive council, M. T. Dunn, Brainerd. Curtis L. Mosher, secretary of the Citizens League, gave an address on banking reform and J. W. Wheeler of St. Paul on agriculture. John Wetzel was toastmaster at the dinner in the Hotel Buckman.

George B. Lane Back

George B. Lane, commercial paper, Minneapolis, with Mrs. Lane has returned from a trip abroad of four months. It was a novel trip. The principal places all around the shore of the Adriatic Sea were visited, and when Mr. Lane recites the names of countries of which he investigated the interiors it sounds like a railway station caller doing his duty in Herovinging.

Killed in Fall from Aeroplane

Frederick J. Southard, 418 Andrus building, Minneapolis, president of the Farmers and Merchants State of West Concord, Minn., fell from an aeroplane at Simas field, Dayton, Ohio, Tuesday morning, and was killed. Mr.

WILLIAM J. BURNS, President. Formerly U. S. Secret Service. Late San Francisco, Cal., Graft Prosecution

RAYMOND J. BURNS, Secretary and Treasurer

The William J. Burns National Detective Agency, Inc.

Representing American Bankers Association

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President—Manager

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CHICAGO, ILLINOIS

BANKERS TRUST COMPANY

New York



This Company has removed its offices to its new building, Wall and Nassau Streets, where the business of all departments will hereafter be conducted.

Capital, \$10,000,000 Surplus, \$10,000,000

Southard was 31 years old, and had recently disposed of his farm mortgage business to go into the aviation field, intending to promote the aeroplane manufacture and sale in Minneapolis. He is said to have been worth \$100,000 in farm lands in Minnesota and the Dakotas.

Addresses Traffic Club

Addressing the Minneapolis Traffic Club, E. W. Decker, president of the Northwestern National, said in part:

"We should encourage the railroads in the development of terminals, which are badly needed, and should be fair with them. It is you men who can do most to promote and maintain a feeling of fairness on the part of the shippers and the general public which will result in such treatment of the railroads that they will construct in Minneapolis those terminals that will be a pressing need of the not distant future."

Speakers at Minnesota Convention

Among the speakers to be at the twenty-third annual convention of the Minnesota Bankers Association, June 14th and 15th, at the state agricultural college at St. Anthony park, are: Secretary James Wilson, department of agriculture; Dean A. F. Woods, of the college, "Agricultural Education in Min-

nesota;" H. J. Maxfield, state immigration commissioner; R. W. Bonyng, Denver, Colo.; Dean C. F. Curtis, Ames agricultural college, Iowa, "Secondary Education in Agriculture;" C. G. Schulz, state superintendent of public instruction, "Consolidated Rural and Agricultural High Schools;" Thomas Cooper, secretary Better Farming Association of North Dakota; Professor Monroe of the Cokato agricultural high school; Joseph Chapman, Jr.; C. P. DeLaittre, Aitkin, Minn.; P. H. Konzen, Hallock, Minn., of the Northern Development Association.

Banking Notes

Elmer E. Adams succeeds Charles D. Wright as president of the First National, Fergus Falls, Minn. Mr. Wright has served since 1883. The First is the oldest and largest bank in the county.

W. A. Day, who has resigned as cashier of the State Bank at Stephen, Minn., will be succeeded by C. R. Gillespie. Mr. Day removes to Minneapolis.

Notable points in the crop situation in North Dakota covered by a crop statement from the Wells & Dickey Company include improved methods of cultivation as to seeding, increased acreage of corn, prospect for a good hay crop and a decrease in wheat acreage due to the

early freeze last fall. Seed has better selection, silos are being built, and there is a feeling of conservatism of farmers in expenditures.

F. A. Chamberlain, president of the Security National, was in the wreck of the Pioneer limited train of the Milwaukee road Monday morning. He was coming from Milwaukee.

G. L. Tremain, president of the Peoples Bank of Humboldt, Iowa, has been the guest of his son, H. J. Tremain, secretary of the Minneapolis Commercial Club. Mr. Tremain was organizer and first president of the Iowa Bankers Association.

The St. Paul Stock Exchange at its first annual election put A. M. Peabody back in office as president. Other officers are: Vice-president, Edwin White; secretary, C. C. Kibbee; treasurer, A. C. Dent; directors, O. M. Nelson, A. M. Peabody, C. C. Kibbee, Edwin White.

Secretaries of the Farmers Grain Dealers associations in Minnesota, the Dakotas, Nebraska, Iowa, and Illinois, representing 2,000 country grain elevators, met in Minneapolis last week to perfect an organization, to fight proposed freight rate advances inimical to interests of members and for other purposes.

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

**Assets Over
\$16,000,000**

The Seattle National Bank

OF SEATTLE, WASHINGTON

SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

R. V. ANKENY, Cashier
J. FURTH, Chairman Board of Directors

Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

Pacific Northwest Banking News

Spokane, May 21.—Grain, hay and fruit crop conditions are excellent all over the Inland Empire, according to Judge W. Brackenridge, traveling freight and passenger agent of the Northern Pacific Railway Company, who has just returned from a trip over the territory. Farmers report wheat coming along nicely. There is a larger acreage than last year, and the farmers believe that as a result of the heavy fall of snow during the winter, and the rain this spring the crop will at least equal that of last year. The apple crop will be the largest in the history of the district.

Report Good Conditions

P. M. Winans, cashier of the First National at Walla Walla, Wash., and Ramsay Walker, vice-president of the Wallace National, Wallace, Idaho, who were visitors in Spokane recently, brought encouraging reports of conditions in the district in which they are located. Mr. Winans says the country never looked better than at present, and that business conditions at Walla Walla are good, and the district is prospering. Mr. Walker reports unusual activities in mining circles in the Wallace district, and says everything points to a prosperous year.

Corn Contests

Exchange Bank of Genesee, Idaho, founded by Thomas H. Brewer, president of the Fidelity National of Spokane, has invited farmers and farm boys of that district to participate in two corn-growing contests. The first is for the best square acre of corn, stand, yield and scoring of ear, the points to be considered. The prizes are: First, \$20; second, \$10, and third, \$5. The second contest is for the best six ears of corn to be exhibited at the bank's offices in Genesee. The prizes are: First, \$10; second, \$5, and third, \$2.50. The awards will be made on October 15th.

Fidelity National Celebrates Thirtieth Anniversary

Officers and employees of the Fidelity National of Spokane, assisted by a number of guests, fittingly celebrated the thirtieth anniversary of the establishment of that institution at a banquet in the Hall of the Doges the night of May 6th. Thomas H. Brewer, president of the bank, was toastmaster, and the guests of honor were George S. Brooke, founder; O. C. Jensen, a director, and A. W. Lindsay, cashier, who have been on the roster since the opening of the bank at Sprague, Wash., in 1882. Among the speakers were those named in the foregoing and C. E. Cooper, F. E. Elmendorf and Lamont Barnes.

Banker to Go on Large Farm

J. W. Anderson, retiring cashier of the Pullman State at Pullman, Wash., was the guest of honor at a banquet given by the directors of the institution, May 2d. R. C. McCroskey, president of the bank, was toastmaster. Following the banquet the guests were entertained at the home of Dr. and Mrs. E. Maguire. Mr. Anderson will manage a large tract of farm land in British Columbia.

Klein Leaves for Six Weeks in the East

E. Vaughn Klein, assistant cashier of the Traders National of Spokane, has gone East on a trip to occupy six weeks. He will visit New York, Boston, Philadelphia, Washington and other eastern cities, also Chicago, St. Louis, Kansas City, Denver, Salt Lake, Los Angeles and San Francisco. He will attend the Pacific Coast ad. men's convention in Portland, June 10th, as a delegate of the Spokane Ad. Club.

NEW YORK TRUST COMPANY MERGER

A formal statement has been issued regarding the merger of the Columbia Trust Company with the Knickerbocker Trust of New York. It is announced that the new corporation will have a capital of \$2,000,000 with a surplus of \$7,000,000. The terms of the merger provide that for each share of stock in the Knickerbocker the holder will receive five-twelfths of a share in the new company, and for each share of Columbia stock the holder will receive two-thirds of a share of stock in the consolidated institution.

CHICAGO BANKERS ATTEND GROUP MEETINGS

Nelson N. Lampert, vice-president, and Thomas E. Newcomer, assistant cashier of the Fort Dearborn National, Harry Grut of the Continental and Commercial, Edward Schoeneck, head of the transit department of the Corn Exchange, and C. R. Hieronymous of the Harris Trust attended the meetings of Groups 9 and 10, Illinois, held on Wednesday and Thursday of this week. The meeting of Group 9 was held at East St. Louis, and that of Group 10 at Carbondale.

CHICAGO CHAPTER, A. I. B.

By OTTO J. KRAMPIKOWSKY.

Chicago Chapter will hold its annual election of officers as well as delegates to the Salt Lake City convention on Tuesday, May 28th. The polls will open at 4 p. m. and close at 8 p. m. As the membership has increased at least 40 per cent during the past year, it is expected that a larger number of members will turn out to vote than ever before in the history of the chapter. Great improvements have been made in the educational features of the chapter during the past year, as well as the entertainment features of the various meetings that were held. Too much praise cannot be given to Harry S. Smale, president of the chapter, for his hard and earnest work, which has shown results to good advantage to the chapter. With another president as efficient, for the ensuing year, Chicago Chapter is bound to enlarge its membership as well as its educational work, which is its main principle. Another officer who has served the chapter and served it well for the past few years, and who is not a candidate for re-election, is Thomas J. Nugent, the corresponding secretary. Mr. Nugent is at present a member of the Bank Man committee as well as the corresponding secretary, and last year was the editor of the Bank Man. Mr. Nugent is a very enthusiastic and loyal chapter member.

Bankers Night at the Cort Theatre

In order to obtain sufficient funds on hand so as to take care of the incoming delegates from the East en route to the Salt Lake City convention in August, while stopping off at Chicago, the chapter made arrangements with the Cort Theatre to give a performance in behalf of the chapter whereby the chapter received 25 per cent on the profits of all tickets sold, and accordingly Friday evening, May 24th, was selected, called "The Bankers Night." The ticket sale has been more than was anticipated and a good profit made, and all delegates stopping off at Chicago, en route to Salt Lake City convention, can rest assured that Chicago Chapter will take care of them well.

ROB BANK SAFE OF \$2,000

Tulsa, Okla., May 22.—Burglars blew open the safe in the Bank of Keystone to-day and stole \$2,000.



**The Old National Bank
OF SPOKANE**

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

—OFFICERS—

D. W. TWOHY, President
T. J. HUMBIRD, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

We Own and Offer, Subject to Prior Sale and Change in Price,

\$500,000

Los Angeles Railway Corporation

First and Refunding Mortgage Sinking Fund 5% Gold Bonds

Dated December 1, 1910. Due December 1, 1940, without option of prior payment. Denomination \$1,000.
Bonds may be registered as to principal. Interest payable June 1st and December 1st at the
Bankers Trust Company, New York, or Los Angeles Trust and Savings Bank, Trustee.

The Los Angeles Railway Corporation owns and controls the entire street railway business of Los Angeles, having for its exclusive province the City of Los Angeles and the growing suburban section southwest of the City limits, giving it a territory of about 125 square miles containing a population of 350,000. The lines of the Corporation cover a trackage of 344.29 miles.

EARNINGS AND EXPENSES FOR THE YEAR ENDED DECEMBER 31, 1911

(As reported by the Corporation)

Gross Revenue	\$5,843,377.65
*Operating Expenses, Taxes, Maintenance, and also Depreciation Charges	4,005,506.27
Net Revenue Available for Interest	\$1,837,871.38
Required for Interest Charges	1,000,000.00
Surplus for 1911	\$ 837,871.38

*Attention is called to the fact that under the Corporation's method of bookkeeping Depreciation Charges are included in Operating Expenses.

This bond issue of \$20,000,000 is secured by a closed mortgage upon the entire property of the Los Angeles Railway Corporation now owned or hereafter acquired, subject to underlying liens on a portion of the property amounting only to \$5,500,000, to retire which an equal amount of First and Refunding bonds are held by the Trustee. Under the provisions of the Trust Deed the Corporation is required to make monthly payments to the Trustee for sinking fund purposes, which, it is estimated, under the most unfavorable circumstances will be sufficient to retire by maturity about 40% of this issue.

Los Angeles increased 211% in population from 1900 to 1910, which growth is continuing at a remarkable rate, as is shown by the gross earnings of the former Los Angeles Railway Corporation properties as given below:

1905	\$2,580,300.51	1908	\$3,402,972.23
1906	3,129,941.74	1909	3,785,152.69
1907	3,452,349.82	1910	4,003,802.77
1911		1911	\$5,843,377.65

The Corporation is in an excellent position in regard to franchises. Over 25% of the trackage is upon private right of way, owned in fee. All the main arteries of traffic, and practically all streets in the downtown district, are covered by franchises having a life beyond the maturity of the bonds.

Legal for Savings Banks and Tax Exempt in California
We Recommend these Bonds for Investment

PRICE PAR AND INTEREST

BOND DEPARTMENT

Continental and Commercial Trust and Savings Bank
CHICAGO

JOHN McHUGH - President
JOHN J. LARGE - V.-Pres.
W. L. MONTGOMERY, V.-Pres.
HENRY G. WEARE - V.-Pres.
F. A. McCORNACK - V.-Pres.
H. A. GOOCH - Cashier
O. D. PETTIT - Asst. Cashier
FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
BUSINESS AND OFFER
YOU EXCEPTIONAL
FACILITIES. CORRE-
SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
Collections and Bank Accounts

Largest Bank in Clinton
County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITORY

ESTABLISHED
As a Private Bank, 1877 As a National Bank, 1887
35 years of continuous, conservative and successful banking

OFFICERS
RALPH VAN VECHTEN, President
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Handsome oil paintings have been presented to the State Savings and Trust at Davenport by Minnie Stevens Allen. They are of the three past presidents and the present president, S. W. Wheelock, Porter Skinner, H. A. Ainsworth and Frank Gates Allen.

Des Moines, May 23.—Arrangements for the entertainment of the visiting bankers at the Cedar Rapids convention have been practically completed. The bankers of the "Suits Me" city are in charge of this phase of the meeting. Wednesday afternoon while the bankers are attending the convention the wives of the Cedar Rapids financiers will give the visiting ladies an automobile ride to the Country Club. In the evening there will be a special vaudeville show at the Majestic Theater. The women will then be expected to go to bed, but not so the men. Following the theater party, there will be a smoker for the men at the Auditorium. Thursday afternoon, the bankers who remain for the afternoon will be given views of Cedar Rapids by automobile.

President G. E. MacKinnon of the Mechanics Savings of Des Moines, who founded the famous "Birthday Club" in this city three years ago, announces a called meeting of the organization during the convention at Cedar Rapids.

The program for the convention as announced in these columns recently has been strengthened by the addition of an address by George E. Allen, educational director of the American Institute of Banking of New York. His subject will be "Bank Education," and it will be a feature of the Wednesday afternoon program. The chapters that used to exist in Iowa have been allowed to die, so that Mr. Allen expects to make his address a sort of revival sermon. Miss Rose Reichard, well-known violinist, who lives in Des Moines, but has been on the entertainment stage for some time has consented to appear with her violin as one feature of the convention program. With the exception of these additions the program will stand as tentatively announced by Secretary Hall a fortnight ago. In the meantime the secretary is mailing out beautifully engraved invitations to each member of the Iowa association.

Group 9 at Lamoni

The Group meetings for the season are ended. Lamoni wound them up when Group 9 met there last Friday. Lamoni is a splendid little city, and the bankers were royally entertained. The program was held in the new Coliseum. Chairman Bert Teale called the bankers to order at 1:30 in the afternoon. The program was somewhat lengthy, but decidedly interesting. Those listed to speak with their subjects were as follows: Address of Welcome, Mayor George W. Blair; response, Cashier George S. Allyn, Mt. Ayr Bank; address, Secretary P. W. Hall, Iowa Bankers Association. Then came ten minutes talks on the following, the speakers representing each county in the group: "Should We Favor the Parcels Post Bill?" President Charles T. Launder, State Savings, Fontanelle; "Effect of the Postal Bank on Commercial Business," Cashier F. E. Shane, Adams County Bank of Nodaway; "The Country Banker," President A. D. Simmons, Simmons & Co., bankers, Os-

ceola; "Gospel of Agriculture," C. W. Hoffman, Exchange National, Leon; "Why Should We Boost for Iowa?" Vice-President Webb Hultz, State Savings of Clarion; "Duties of the Bank Director," F. F. Fuller, Iowa State, Mt. Ayr; "Should the Silo Be Encouraged?" President Frank Dunning, Citizens, Bedford; "Good Roads," President S. H. Blackwell, Savings Bank of Afton; "The Man Behind the Counter," Cashier D. T. Sollenbarger, Farmers National, Allerton. The bankers were given an automobile ride following the program, and the banquet in the basement of the Coliseum wound up the festivities. The attendance was splendid and the interest intense. It will be seen that many of the addresses were along agricultural lines, showing the interest that is being aroused in agricultural topics among the financiers of the state. There is no doubt that the bankers of Iowa are enjoying an awakening along this line that is bound to have a tremendous influence upon the wealth of the state.

Group 3 at Northwood

The meeting of Group 3 at Northwood, May 15th, was a splendid success. The attendance was large, and it was a fine audience that had assembled when Morton Wilbur, cashier of the Security Trust and Savings of Charles City, rapped his gavel. The program began at 1:30, when the bankers registered at the Park Hotel. At 2:30 the bankers adjourned for an automobile drive over the city. At 3:30 the bankers reassembled at the opera house. The first address was by C. H. McNider, president First National, Mason City, on "Bank Taxation." President E. J. Curtin of the I. B. A. was expected but was not present. Secretary P. W. Hall was present, however, and made an address. Then came the discussion of timely subjects and election of officers. At 6:30 the financiers adjourned to Berg's Hall, where the banquet was served. The program for the banquet was as follows: Toastmaster, Morton Wilbur; "The Banker's Debt to the People," M. C. Sweney; "The Cashier as a Counselor at Law," E. C. Moody; "The Banker as a Utility Man," O. V. Eckert; "Profit and Loss," H. T. Toye; "Hitch Your Wagon to a Star," J. F. Shay; "One Hundred Per Cent," Emerson Depuy. A harp solo by Dr. Gioscio was an interesting feature. One phase of the convention that proved attractive was the manner in which the people of the city decorated their stores in honor of the visitors. The windows had special display and red and blue electric lights had been strung across the street giving a beautiful appearance. The women were well entertained at the home of Mrs. Iver Iverson during the convention, and were guests at the automobile drive, and later at the banquet.

National Banks Made Good Showing

The national banks of Iowa showed up well in the report of the comptroller of the currency for the period ending April 18th. The average reserve for the banks exclusive of the

reserve cities was held at 15.83 per cent as compared with 15.58 per cent February 20th. Loans and discounts increased from \$98,137.224 to \$101,284,358. Lawful money reserve increased from \$7,060,124 to \$7,383,492. Individual deposits increased from \$100,331,870 to \$102,848,937.

One Million in Back Taxes

The board of supervisors at Des Moines has started a movement which is expected to strike terror into the hearts of those capitalists, who have left Iowa without first paying their back taxes. One of the tax ferrets who was put out of business by the legislature last winter has been retained to begin a campaign to recover the taxes which these "expatriates" are supposed to owe in Polk county. It is expected that the amount which will be collected will total fully a million dollars.

Demand Lower Assessment

The First National at Council Bluffs has demanded that the council in that city exempt \$269,000 from its assessment on the ground that the amount in question is invested in government bonds. The bank appealed to the board of review, but had no success. Now it has made formal claim, and the city attorney has been given the question to ponder over. The city assessor raises the point that the amount was a portion of the capital, surplus and profits of the bank, and is therefore open to assessment under the Iowa statute.

Death of G. W. Kierulff

G. W. Kierulff, for many years cashier of the First National at Montezuma, died at his home in that city last week, at the age of eighty-six. He was an interesting career. He was born in the West Indies, and at an early day sailed to California, where he engaged in mining. Later he was a bookkeeper in San Francisco in the early days, and conducted a general store for miners. From California he went to New York and taught school. He removed to Iowa in 1857. In the seventies he formed a bank partnership with John Hall, and was identified with banking interests for many years.

Sioux City

By JOHN J. BIDDISON.

The liveliest topic in the minds of bankers as well as other business men of Sioux City, this week—aside, of course, from politics—is the wholesale inspection of the business part of the city by a whole special car of insurance experts, sent out from Des Moines to study conditions. The recent heavy fire losses, totaling in a little while practically a half-million dollars, have set the insurance underwriters to thinking, and, while they will not admit that this fact is the inspiring cause, they do admit that it hastened their determination to discover what is the matter. Business men, fearful that the inspection would result in sharp advances in premium rates, took pains to improve the condition of their premises before the inspectors arrived, owing to the fact that the newspapers saw to a thorough advertising of the impending investigation. In the meantime, business men of the city have formed a committee that will raise a large fund of credit with which to buy needed fire apparatus that the city, with its tax limit, is unable to purchase, this apparatus to be leased to the municipality until such time as it is able to buy it outright. It is expected that about \$40,000 will be so expended.

O. A. Patterson

O. A. Patterson, accountant for the Stewart Lumber Company for a number of years, will on June 1st take the place of assistant cashier



MANY bankers, from time to time, have need of a special or secondary reserve fund. This reserve fund they carry in bonds or as an inactive account at interest with a metropolitan bank. We make a specialty of handling such inactive reserve accounts for banks and bankers, and of supplying carefully selected bonds for investment, circulation, emergency currency, government deposits or postal savings fund purposes. To banks intending to establish a secondary reserve fund unexcelled facilities are offered.

We have prepared an exceptionally informative leaflet on government bond data in concise enough form to be practical to every banker,—just the thing to have close at hand for ready reference. We shall be pleased to send these leaflets free upon request.

Harris Trust & Savings Bank

Organized as N. W. HARRIS & CO. 1882. Incorporated 1907
HARRIS TRUST BUILDING, CHICAGO

in the Crawford County State Bank, at Denison, Iowa, succeeding C. J. Kemming.

Among the Visiting Bankers

J. W. Bridge, cashier of Blair & Co., bankers, Helmville, Montana, was in the city Friday. Day & Hanson Security Company are principal owners of this bank, and will be remembered as bankers, who formerly lived at Castana, Iowa. Other Iowa bankers who were in Sioux City this week are C. C. Hass, cashier of the Woodbine Savings Bank, of Woodbine; E. H. Hennrich, cashier of the Farmers and Merchants Bank, Ireton; and J. L. Mitchell, president of the LeMars Savings Bank, LeMars. Peter B. Dirks, cashier of the Citizens State Bank, Oacoma, S. D., was in Sioux City on business Monday.

LOCAL BANKERS ELECTED OFFICERS OF HAMILTON CLUB

One of the closest elections ever held in the history of the Hamilton Club resulted in the election of L. H. Grimme, cashier of the National City Bank, to the position of treasurer. Mr. Grimme was opposed by W. F. Van Buskirk, vice-president of the Standard Trust and Savings. Lucius Teter, president of the Chicago Savings Bank and Trust Company, was elected a director of the club. Unusual interest was manifested in the recent election, owing to the fact that the Hamilton Club will entertain the notables attending the republican national convention to be held here in June. The election was held on Monday of this week.

UNCLE SAM IS HARD TO PLEASE.

Are you the same? Then next time you go to *St. Louis*, test the quality of C. & E. I. service. It's the route that takes the mails.



C. & E. I.

(Chicago & Eastern Illinois R.R.)

To St. Louis

TICKET OFFICES:

108 West Adams Street
Tel. Har. 5115. Auto. 52377

La Salle Street Station
Tel. Har. 1408. Auto. 53495

A. B. SCHMIDT

Gen'l Agt. Passenger Dept.



"Uncle Sam's Route"

Trenton National Bank

United States Depository

TRENTON - - - MISSOURI

Capital - - \$75,000.00

Surplus - - 25,000.00

Deposits - 368,314.49

OFFICERS

W. E. AUSTIN, President

C. H. CULLERS, Vice-President

W. H. SHANKLIN, Cashier

C. N. MASON, Assistant Cashier

Careful and prompt attention given to all business entrusted to us

Reasons Why Bankers Should Use Corporate Surety Bonds

The subject given me by Mr. Keyser is, "The Reason Why," and his reason for giving me such a doubtful subject—as he informed me—was that I could talk about anything I pleased, and certainly no man could ask for greater liberty than that. Under that privilege I will tell a story.

During our World's Fair in St. Louis, John Allen of Mississippi, whom many of you doubtless know, was one of the national commissioners appointed by President McKinley to represent the government at our exposition. While serving in that capacity he made occasional trips to his home in Mississippi, and upon his return from one of these visits he was met on the street by a friend who invited him to accompany him to a neighboring "thirst parlor," which invitation, to the surprise of the friend who extended it, was declined. John said that when he left his wife the previous morning he had promised her on his sacred word of honor that he would never take another drink as long as he lived, and there was another reason. The friend then asked John what his other reason was, to which he replied, "I have just had one."

As I am engaged in the surety business I am going to tell you the reason why bankers should use corporate surety bonds, as it seems to me that this is a subject that should interest every banker, as modern banking methods require the use of fidelity bonds in safeguarding alike the interests of the banker, stockholder, and the depositor.

No up-to-date, progressive and conservative banker of to-day fails to give such protection to his shareholders and depositors, and the bank that fails to adopt this well established rule of safety and conservatism is not likely to hold its own in the race for supremacy which can only end in "the survival of the fittest." Since time began men have been required to guarantee the fulfillment of their obligations and many methods of giving surety for such performance have been used. Also from the beginning of time the risk of giving surety has been recognized. Even in Holy Writ we have the evidence of this fact as shown in the Book of Proverbs, where the statement is made:

**President James E. Smith
of the Equitable, St. Louis,
gives an interesting talk
at the Joplin convention**

"He that is surety for a stranger shall smart for it."

You will remember also that Shakespeare, in one of his plays, gives us the instance of a grasping Jew who made a loan to a man whose friend became surety for the payment of the obligation, with the hard condition imposed that in the event of the non-payment of the loan he would exact a pound of flesh, and since that time the men of your calling who have resorted to usurious practices have been known as "Shylocks." The custom of giving personal surety, which began in those early days, remained in vogue until well along into the past century, and it is to the credit of our own country that she solved the problem by successfully establishing a system which has entirely done away with the objectionable plan of demanding and giving personal surety. It is a safe assertion that no prudent or provident man ever willingly became surety for another. Men have assumed such unwelcome and objectionable obligations but only because they could not well escape them. Many a man has been financially ruined by going on the bond of the "other fellow." No right thinking man will now ask his friend to go on his bond, and no man, no matter how fond he may be of his friend, really wants to assume any such obligation on his account.

The giving of personal surety is a rueful relic of the primitive past. The custom grew from the necessity of the time when corporate surety bonds were unknown, but they are easily obtainable now and they are replacing the plan of assuming personal liability for the obligations of others, just as the electric light is replacing the old time methods of illumination, and now the man who wants such pro-

tection can buy it just as readily as he can go into a hardware store and buy a pound of nails. The advantages of corporate surety over personal surety are so obvious and evident that no one can dispute them:

Personal sureties may die.

They may become insolvent.

They may become dissatisfied.

They may move away and get beyond your reach, and for these and other reasons cause you trouble and attorney's fees.

A corporation engaged in the surety business, when properly organized and conducted, becomes a permanent institution whose obligations are fulfilled promptly and faithfully. A surety bond is in fact a letter of credit. Almost any man can give a personal bond but every man cannot give a Company bond. The man who gives a personal bond places himself under obligation to the man who becomes his surety. He thus forfeits his independence, and every manly man wants to be independent. Every good business man wants to do business in a business-like way, and such a man will buy his bond and pay a fair price for it rather than demean himself by begging for it. These reasons as to why the individual should use a corporate surety bond apply with equal force to banks and other business institutions. Every well managed business concern now bonds certain of its employees for the faithful performance of their duties. Our national, state, and municipal governments compel their employees to give bond for the faithful fulfillment of their obligations. As I have stated already, all conservative and well managed banks protect themselves, their shareholders, and their depositors against loss caused by the employment of dishonest employees, through the use of corporate surety, and the bank that fails to give such protection is open to the criticism of not only its depositors and shareholders but of the general public as well.

It is the duty of every banker to so conduct his business that he may secure the absolute confidence of all of the people in his community and to so manage his institution that this confidence may be deserved and never be abused or forfeited. More than this, he should

The National Bank of Commerce

IN SAINT LOUIS

Capital
Ten Millions



Surplus and Profits
Eight Millions

OFFICERS

B. F. EDWARDS - - President
TOM RANDOLPH. Vice-President
W. B. COWEN - Vice-President
W. L. McDONALD, Vice-President

J. A. LEWIS - - - - Cashier
C. L. MERRILL - Assistant Cashier
F. W. WRIEDEN, Assistant Cashier
G. N. HITCHCOCK, Assistant Cashier

A. L. WEISSENBORN, Asst. Cashier
GEORGE R. BAKER, Asst. Cashier
H. C. BURNETT - Asst. Cashier
W. M. CHANDLER, Asst. Cashier

always follow safe and conservative methods in the management of his business in order that he may safeguard the interests of his patrons and avoid bringing disaster upon those whose confidence he has gained, for as we all know the failure of a bank in any community usually causes widespread ruin and disaster to hundreds, if not thousands, of its people.

I have found great comfort in the belief that most men are honest. I believe that the world is growing better every day, but I must confess that since I have been in the surety business my belief in the honesty of my fellow men has been at times rudely shaken, but I am still inclined to the belief that the majority of men are honest, for, otherwise, the business in which I am engaged would be not only unprofitable but decidedly uncomfortable.

The statistics of the past twenty-five years show that the business done by the surety companies with banks has been, with most companies, unprofitable, and only those companies which have followed the most careful and conservative methods have shown satisfactory results.

This does not mean that losses have been numerous, but the reason for this showing is that surety rates are extremely low and that one big loss often wipes out the premiums received for years, and if such losses are too frequent the surety company which pays them must necessarily find the business unprofitable.

Let me illustrate: A surety company bonds a bank cashier for twenty thousand dollars. For this risk the company receives a premium of fifty dollars. Suppose this cashier proves dishonest and the surety company pays the loss incurred. It means that it would take the premiums of forty years on ten similar risks to even up this loss, and hence the difficulty of

managing such a business so as to prevent disastrous losses.

This can be done only by accepting such business as experience and good judgment will justify the surety company in taking, and even then losses are sure to occur, for the reason that human nature is sometimes weak and every now and then some trusted employee goes wrong and either the bank itself or the surety company which furnishes the bank protection against such happenings must stand the loss.



J. B. JENNINGS
Moberly, Missouri
Treasurer, Missouri Bankers Association

It goes without saying that no properly managed bank will take into its employ a man whose reputation for honesty and capability is not well established, for no matter how careful they may be, mistakes in their judgment will occur, and right here, Mr. Banker, is another great advantage in the bond procured from the corporate surety. The man who is bonded by the corporate surety company takes upon himself the responsibility of making a reputation for himself or of maintaining the good record he may have already established, for he knows that when he has once gone wrong the record of his wrong doing will stand against him for all time to come and that no other surety company will be likely to stand sponsor for him when he seeks a similar position and requires a bondsman.

The bond of the surety company is, therefore, an added protection to the employer as he gets the benefit of this restraining influence upon his employee.

Let me say further that the investigation made by surety companies of those persons for whom they furnish bond is a great protection to the employer, and many a bank has been saved from loss by receiving information about their employees which they themselves never would have discovered, and which had been obtained through the careful investigation and surveillance of the surety company as to the past history, the habits, and the general conduct of the individual whose honesty and faithfulness they had guaranteed.

The duty of the surety to the employer whose employee he has bonded does not end when he has signed the bond and collected the premium charge. He still owes to his client and patron such further protection as he may be able to furnish him, and all properly managed surety companies recognize their re-

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sponsibility in this respect. Now, gentlemen, I have endeavored to give you the reason why good banking methods require the use of corporate surety bonds, and I hope that I have proven my case. I have endeavored to show that corporate surety offers distinct advantages over the personal surety and I am sure that as business men you will concede the correctness of my contention.

BANKERS TRUST, NEW YORK, OCCUPIES NEW HOME

The event of last week in trust company circles was the moving of the Bankers Trust Company, New York, into its new building at the corner of Wall and Nassau streets. The building, which was constructed at a cost of about \$3,000,000, is now open for public inspection. Among those who have so far availed themselves of this opportunity the opinion is unanimous that the new home of the Bankers Trust Company is the "last word" in bank construction in New York. Probably no finer example of bank architecture nor more perfect arrangements in a banking institution exist anywhere.

The new building, which is of massive construction throughout, and is crowned with a pyramid, is forty-one stories in height, and stands on a lot about 100 feet square. It contains available for renting purposes approximately 180,000 square feet of office space, exclusive of the first, second and third floors, which contain the banking quarters of the Bankers Trust Company. All of the banking rooms are finished with marble work, the walls of the main banking room on the second floor being lined with Tavernelle marble to the ceiling. The board room is on the third floor, and is a remarkable example of elegance devoid of every tendency to gaudiness. The high-paneled wainscoting is of Circassian walnut, the directors' specially designed table and thirty-eight chairs fitted with loose leather cushions being of the same material.

A feature of the new building is the vault, the strongest and heaviest ever built. The inside measurements are 22½ feet in height, 28 feet in width and nearly 30 feet in length. The vault will accommodate nearly 160 safes when filled. It weighs 1,550 tons, and the main door, which is fitted with 20 five-inch bolts, weighs 39 tons.

The new building of the Bankers Trust Company may be regarded as reflective of the tremendous growth of this institution within recent years. The company began business on March 30, 1903, with \$1,000,000 capital and \$500,000 surplus. According to its latest statement, as of March 21, 1912, the company had \$5,000,000 capital, \$13,642,000 surplus and undivided profits and total deposits of \$154,055,733.

Charles G. Gates has bought a seat in the Minneapolis Chamber of Commerce for \$2,600 and a site for a summer residence for \$100,000.

PRESIDENT A. H. WAITE, AT JOPLIN, ENDORSES KANSAS CITY LAW

(Continued from page 19)

aid and your assistance; and one of the greatest of our assets is the fidelity of its members, which is supreme, and will be so long as the affairs of the association are open to all, and is absolutely kept free from politics; for the affairs of the association are first and are paramount and above the affairs of individuals.

One of the most important things in the life of the association has come up, and has been well settled during the year. At a meeting of your executive council in January, a committee was appointed to take up the matter of fidelity bond insurance, and that committee is to be congratulated upon the results of its efforts. A great amount of time, labor and care was spent. The officers of your association have met with this committee repeatedly, and nothing was left undone to get the best insurance at the lowest possible cost. We realize and know what writing insurance at less than cost means, and it means but one thing, and that is failure. We also know, and about this there is not any doubt, that if our association was out of business we would be paying twice as much as we now pay, and when you are offered insurance at a less rate or you are offered commission or rebate, there is only one course open to you, and that is to stand by your association as that association stands by you. As a result of the efforts of that committee a contract was entered into with one of the strongest and most reliable companies organized under the laws of Missouri. The officers and the committee have finished, and have done their part, and it may not be an easy matter to turn down a lower rate, and it is now simply up to you as members of the association. This convention should take up and consider the advisability of a committee on agriculture. Missouri, being one of the best farming and producing countries, the banker should do all in his power to advance that part of commercial life. Much progress has been made on this line, which is largely due to our school of agriculture located at Columbia. The officers of that department, of which there are about forty-five, are not only willing, but are anxious to give to the farmer the advantages gained by experience on this line, and there is not a doubt about the practical and the profitable results obtained. This information and knowledge should be promulgated, and that committee no doubt can work out the

best plan in which to bring to the attention of the farmer these important things that interest him and his work so much. These methods would bring about the desirability and the necessity for habits of thrift and saving and economy. The good roads movement and the rural route are things to be encouraged, for it is the tendency to make a better and a more satisfied people, and this is one of the secrets of life, and is the secret of success—a satisfied life.

The postal savings system seems to be working satisfactorily. Bankers never have been in favor of the government going into the banking business, and it seems clearly out of their line; however, if the people can be taught saving and economy, then much has been done and the department should be congratulated. Up to the present time, our reports are that over twenty millions of dollars have been deposited, and I think that all the bankers agree that this great sum of money or the largest part of it has come out of hiding, and not from the banks, thus putting into circulation this vast sum, and it is estimated that before the end of the year there will be deposited in banks not less than forty millions of dollars. This is a source of pleasure to the banker as well as to the individual that the people are saving money, and are depositing it so that commerce and trade can have the use and benefit of it. The legislative committee on account of no meeting of the legislature has had but little to do, but it comes to my mind that it might be well to consider the passing of laws looking to the laws similarly passed by our neighboring state. The Kansas banking law is far ahead and superior to the Missouri law in some things. It gives to the board of bank commissioners practically all the power or control of state banks. The Missouri bank commissioner with his associates should have the right to refuse a charter to a bank if that board believes that there are too many banks in the town, and it should make no difference if the applicant has complied with all the requirements, the decision of this board should be absolute. This commissioner and his associates should have the right to take charge of a bank, and have control of it before it becomes hopelessly insolvent; to pay dividends to its depositors without waiting until the affairs of the bank are finally closed. The commissioner and his associates should have the right to say, and it should be their duty to pass upon the incapacity or the previous record of applicants, as to their integrity and business ability. This would check unprofitable competition, and which means failure and loss to the banker and the community, both of which are to be avoided and prevented, which in most cases can be done.

Your association is in the most prosperous and satisfactory condition, and much credit should be given to one of the most capable and faithful secretaries, and with his very able associates in the office of the secretary who are entitled to their part of the success, you are to be congratulated. I wish to express my full appreciation to all the members of this association for their uniform courtesy, for the faithful discharge of your duty, and the promptness in which you have responded to every call. During the three years of my official capacity, it has been my good fortune and my great pleasure to visit many of you in your places of business, and some of you in your homes, and I have every right to be proud of you and that I have been your president.

It is said that a new bank will be organized at Eagle River, Wis. John J. Sherman, cashier of the Citizens National at Appleton, and a Mr. Walsh of Antigo are said to be the promoters.

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MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

director in the New York Life Insurance Company.

ELLIOTT-FISHER CO., of Harrisburg, Pa., has begun the publication of a strictly up-to-date house organ, known as "Bookkeeping To-day." It will be devoted chiefly to the mechanical arts along bookkeeping and listing lines. Its purpose in the publication field will be to teach the advantages of bookkeeping by machinery as well as machine billing and the mechanical computation of interest and record writing.

SECRETARY W. F. KEYSER has suggested to Missouri bankers, who are members of the American Bankers Association, the advisability of qualifying an additional member of the council before the meeting of the Detroit convention. To take care of that contingency he advises the election of an additional member tentatively. This will give Missouri one man to succeed W. C. Harris, and one man to fill the quota if a sufficient number of new members is obtained.

THIS plan of a tentative election probably will be followed in Iowa also, where one regular vacancy will occur, and where an additional membership probably will be secured before the Detroit convention. Other states probably will follow suit.

DETROIT "News-Tribune" of recent date contains a full-page write-up with many half-tone illustrations describing one of Detroit's great industries. The page is devoted to the manufacturing plant of the Burroughs Adding Machine Company, and shows and tells in detail how that particular piece of mechanical perfection is constructed, and with what care the materials are selected.

SECRETARY McLANE TILTON of the Alabama Bankers Association has recommended the creation of a committee on agriculture and immigration. He shows by comparison that other states are getting the lead on Alabama both in methods of agriculture, and in securing immigrants.

MR. TILTON says that all Alabama needs is the adoption of more modern methods with the addition of a large number of willing laborers from foreign countries, who would appreciate the advantages of soil and climate.

SECRETARY TILTON congratulated the bankers on successfully passing the new banking law, and in securing such a competent man as A. E. Walker to superintend the new banking department. He also advised the bankers to take up the "Blue Sky" plan of regulation, and to pass a full-blooded Kansas law for Alabama. He believes that the legislature should endeavor to protect the public from shameless stock jobbing.

R. L. GURNEY, manager of the savings department of the Commonwealth Trust Company at St. Louis, gave an illustrated talk at the Gulfport, Miss., convention on Wednesday. The talk was entitled "Advertising Lemons," and Mr. Gurney showed on a screen by means of a magic lantern such advertisements as his bank uses, changing copy each day in the year.

CINCINNATI and Cleveland chapters, A. I. B., will have a joint debate at the Ohio state convention to be held at Cedar Point on July 2d. The convention is to last over two days, and this will give the Ohio bankers an opportunity to spend the national holiday amidst pleasant surroundings.

SECRETARY RANKIN has billed J. Adam Bede for one of his famous talks, and W. J. Burns has agreed to be present. Two ad-

resses which will attract considerable attention are papers by C. E. Baxter, superintendent of banks and banking in Ohio, and one on investment banking by W. S. Hayden of Hayden, Miller & Co., Cleveland.

S. W. STRAUS & CO., a well-known mortgage and bond banking house, has begun the publication of the "Investor's Magazine." The May number is the first issue.

EDITOR STRAUS has illustrated his first edition with some beautiful engravings showing Chicago of yesterday, to-day, and in the future. A very interesting department is devoted to get-rich-quick swindles.

PINKERTON AGENCY is advertising quite liberally in those papers which are trying to disestablish the Journal-Bulletin and to "put a crimp in Farnsworth." Strange how the "anti's" bunch their hits?

KOILSAAT, Funk, White, Holstlaw et al. are pretty roughly "estimated" by the senate committee which vindicated Hines and found no case against Senator Lorimer.

FUNK'S attempt to besmirch the good name of Edward Tilden only discredited his attempt to ruin Hines, which already was weak from the inconceivable situation, wherein Funk would have us believe that enemies of Mr. Lorimer were asked to contribute for his election expenses.

KANSAS has a "real" secretary in W. W. Bowman. No shortage of income there. Has a balance to the good of \$22,055.22, and a membership of only 1,060.

WE like the modest, impersonal way in which Bowman does things. The secretary who uses too many full signature cuts, too many big "I's," and too little modesty and obedience to orders of supervisors deserves to go to the junk heap.

BOWMAN says that in Kansas no bank is reported a member or in any way carried as a member except those who have paid in advance for the current year. There are none merely "considered" members on the strength of their having once been a member. The membership fee has actually been paid by every one of the 1,060 members reported.

FIDELITY TRUST of Kansas City is building an addition to its present building, which has caused the question to be raised as to whether or not the old building does not

extend beyond the building line on the Walnut Street side. The city is investigating.

KANSAS CITY, Kan., is about to make a test of branch banking by means of the postal savings bank system. Postmaster Childs has received permission from Washington to open branch postal banks wherever postal substations are being conducted.

BANK COMMISSIONER LANFORD of Oklahoma City made quite a favorable impression at the Tulsa convention. He convinced everyone present that it is his determination to give Oklahoma banks the most impartial examinations possible and that he will countenance no mercy on embezzlers and defaulers.

"EARLY Banking in the Cherokee Strip," by O. J. Fleming of Enid was another of the big hits at the Tulsa meeting. Those who heard Mr. Fleming agreed that the facts presented scarcely could be equaled in fiction.

SECRETARY W. B. HARRISON, who is editor of the "Oklahoma Banker," secured a big hit when he engaged Bank Commissioner Dolley to speak at his convention. He was not able, however, to prevent the other newspapers of the state from printing the name of the distinguished "Blue-Sky" propagandist as "Doolley."

OKLAHOMA'S new president is Asa Ramsey of Muskogee, and W. S. Guthrie of Oklahoma City, formerly secretary of the association, now is its vice-president. J. R. Prentice of Ardmore is the new treasurer.

THEY have a state bankers section in Oklahoma and the new president of that division is G. W. Perisol of Oklahoma City; A. E. Patrick of Chandler is secretary. Tulsa's population has increased in eighteen months fully 50 per cent, and not a little of the increase is accounted for by the beautiful new hotel building which gave so much comfort to the visitors. The entertainment features of the convention never have been surpassed in the history of the state unless it might have been at the convention held in Oklahoma City last year.

E. H. McKEE, who travels out for the Fort Dearborn National of this city, was one of the favorites at the Tulsa ball. It is said that he succeeded in making at least a dozen more dance engagements than were provided for by the program.

IN the three years that the Kansas bank guaranty law has been in operation not a single penny has been taken out of the guaranty fund. For the first eight months after its enactment the law was tied up in the federal courts.

KANSAS now has 444 banks participating in the fund, the banks having deposited \$326,000 in Kansas municipal bonds. This fund is a guaranty of good faith on the part of the banks.

COMMISSIONER DOLLEY estimates that the fund now would pay off the failure of any state bank in Kansas even if it were a total loss. The banks which have put up bonds constituting this fund are entitled to the interest, so that the expense thus far to the banks concerned has been absolutely nothing.

ONE of the original objections to the Kansas law was the tying up of so much money. The way the plan has worked out, there has worked no hardship whatever. But one failure has occurred, which was that of Abilene State Bank, wrecked by John A. Flack. Depositors were paid off in this instance by state certificates which eagerly were bought up by the other Abilene banks. It has been estimated that enough property has been found to liquidate all claims without any loss whatever to the state guaranty fund except the use of its certificates for a short time. CASHIER.

A 6% Investment

We own and offer a limited block of a well-known equipment and real estate mortgage, secured by nearly two for one, with a clean financial record. These bonds are held by many banks—one prominent institution holds \$250,000 for its own investment. They mature in 1916 and may be obtained so as to net you 6%.

The full particulars will be promptly furnished to you—and without cost or obligation on your part, either.

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INVESTMENT BANKERS

Third National Bank Building

ST. LOUIS, MO.

ALL BRANCHES OF BANKING

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1912

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JOHN E. BLUNT, Jr.	- Vice-President	F. W. THOMPSON,	Mgr. Farm Loan Dep't
J. G. ORCHARD	- - - Cashier	H. G. P. DEANS	- - Mgr. Foreign Dep't

CAPITAL AND SURPLUS - \$9,000,000



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THE NATIONAL CITY BANK
OF CHICAGO

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Surplus and Undivided Profits		587,563.63
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H. E. OTTE	- - - Vice-President	HENRY MEYER	- - Assistant Cashier
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L. H. GRIMME	- - - Cashier	WM. N. JARNAGIN	- - Assistant Cashier
W. T. PERKINS	- - Assistant Cashier	WALKER G. McLAURY	Assistant Cashier
W. D. DICKEY	- - Assistant Cashier	R. U. LANSING	Manager Bond Dept.
		M. K. BAKER	Asst. Manager Bond Dept.

Fourth Street National Bank
OF PHILADELPHIA

Capital	- - -	\$3,000,000.00
Surplus and Profits		6,500,000.00

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SAVES

all the bother
and worry of
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Saves 25% in
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Prevents
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PRESS ONLY ONE KEY
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Pressing ONLY ONE KEY
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COSTS

less than
5 cents a day
to own.

Requires no
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TEN-YEAR
guarantee.

BRANDT CASHIER COMPANY
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New Trains to ST. LOUIS

VIA THE

NEW ALL-STEEL TRAIN
DAYLIGHT SPECIAL

Leaves Chicago 10:02 a. m., arrives St. Louis (via Merchants Bridge) 6:02 p. m. New indestructible Steel Cars of Handsome Interior Finish. Every comfort and convenience will be found on this train.

NEW EVENING TRAIN
ST. LOUIS EXPRESS

Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m. An up-to-date train in every particular, with an early evening departure from Chicago.

New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped throughout, with a late evening departure from Chicago. Stops made in both directions at South Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars, Sleeping Cars. Free Reclining Chair Cars and Coaches.

ALL TRAINS ELECTRIC LIGHTED

TICKETS, FARES AND SLEEPING-CAR RESERVATIONS AT

ILLINOIS CENTRAL

City Ticket Office 76 W. ADAMS ST. Commercial National Bank Building
R. J. CARMICHAEL, D. P. A. Phone Central 6270

The Girard National Bank
OF PHILADELPHIA

Capital	- - -	\$2,000,000
Surplus and Profits		4,716,000
Deposits	- - -	46,275,000

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To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

JUNE 1, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago, Illinois, under Act of March 3, 1879

10 CENTS A COPY

W. H. Hurley

W. H. Hurley, assistant cashier of the National Bank of the Republic of Chicago, recently has returned from a business trip to Texas. Mr. Hurley reports conditions in the Lone Star state as very promising. It is expected that this year the grain crops will be quite large and profitable.

GROUP 4, ILLINOIS, AT YORKVILLE

Group 4, Illinois, will hold its meeting at Yorkville on Tuesday, June 11th. Headquarters of the secretary and the registration office will be at the court house, where the meeting will be called to order at 11 A. M. sharp. In view of the approaching political convention the principal address will be of peculiar interest. Charles H. Hamill of Chicago will address the group on constitutional government, the address to be without reference to party lines. In addition to this there will be an address by Peter Klein, president of the German-American National at Aurora, and editor of the German newspaper there. There also will be some short talks on live topics, such as good roads, by W. E. Steward of Plano; "Co-operation Regarding Exchange of Credit Information," by Clarence E. Smith, president of the Peoples Bank at Waukegan, and short talks on politics and business by the delegates. The address of welcome will be delivered by W. R. Newton, president of the Yorkville National, and the response will be made by George Woodruff, president of the First National of Joliet. Dinner will be served at the town hall by the Yorkville chapter of the Order of the Eastern Star, and the balance of the meeting will be conducted there. Music will be furnished by the Yorkville orchestra. Those going from Chicago should take the C. B. & Q. train leaving the Union Station at 8 A. M. Special arrangements have been made for the bankers' party. Officers of the group will be elected for the ensuing year and also a member of the executive council of the Illinois Bankers Association.

Chicago Visitors

D. G. Wing, president of the First National of Boston, and who attended the St. Louis bankers barbecue, reached Chicago on Sunday. Mr. Wing says that those present greatly enjoyed the day spent with the St. Louis bankers, and that reports as to business and crop conditions in the West and Southwest are very encouraging. C. F. Enright, financier and electric road builder, of St. Joseph, Mo., spent Friday and Saturday in Chicago. He reports satisfactory progress in the work of beginning building operations on his electric road extending from St. Joseph to Kansas City and from Kansas City to Excelsior Springs, Mo.

O. M. Blake, president of the Miami National at Hamilton, Ohio; M. O. Williamson, president of the Peoples Trust and Savings at Galesburg, Ill., and chairman of Group 2, whose convention will be held at Pekin this year, and B. F. Harris, president of the Illinois Bankers Association, also visited the financial district during the past week. Mr.

Harris left for Knoxville, where he delivered an address before the Tennessee bankers at their convention held in that city on May 28th and 29th.

J. T. Scott, vice-president of the First National at Houston, and R. P. Wofford, cashier of the Commonwealth National at Dallas, are two prominent Texans who visited Chicago during the past week. A. R. Thompson, vice-president of the German National at Hastings, Neb., and formerly of Oklahoma, called on Chicago banking acquaintances this week. Mr. Thompson reports everything as very favorable in his section of the country. R. H. Morse, cashier of the Globe Savings Bank at Los Angeles, visited Chicago on Wednesday in company with his brother, J. D. Morse, cashier of Morse Brothers, bankers, Gifford, Ill. R. H. Morse still retains his interest in the old banking firm at Gifford. He says that the Globe Savings, which recently consolidated with the Bank of Southern California, now has a capital of half a million, and deposits in excess of two millions. This is the bank with which Fred H. Haskell, formerly vice-president of the First National at Mendota, and

A. C. Hupp, formerly cashier of the Arlington (Ill.) State Bank, are the vice-presidents. B. M. Mead, cashier of the State Trust and Savings at Peoria, visited Chicago on Tuesday. Mr. Mead expresses great pleasure at the new location of his bank on Jefferson Street opposite the new Jefferson Hotel. He reports a line of deposits in excess of seven hundred thousand. Peoria bankers are looking forward with a great deal of pleasure to the convention of the Illinois bankers, which will be held in their city, September 25th and 26th. They are preparing an interesting program of entertainment, and are expecting a large attendance.

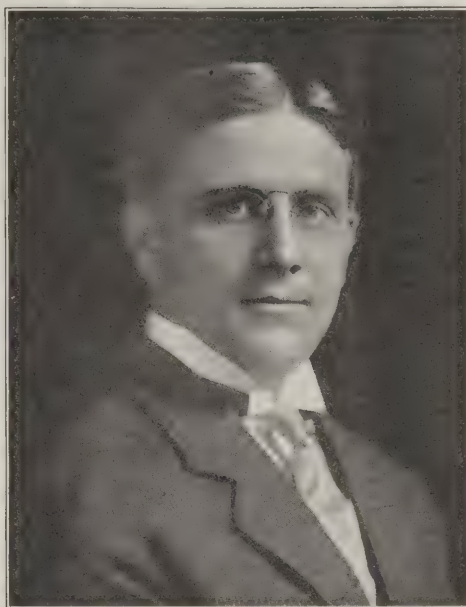
JOHN W. THOMAS

John W. Thomas, assistant cashier of the Central Trust, left for Rolla, Mo., on Monday night, to attend the graduation exercises of the School of Mines, from which institution his son is to be graduated.

A. UHRLAUB

A. Uhrlaub, vice-president of the Central Trust, sailed on Tuesday of this week for his annual visit to Germany.

Favorite Sons of Old Missouri



R. S. HAWES
ST. LOUIS



J. S. CALFEE
ST. LOUIS

Joplin convention conferred official favor upon two of the younger bankers of the state. Mr. Hawes was unanimously elected treasurer, which means that he will in turn fill the chairs of vice-president and president of this famous state association. Each of the ten groups seconded his nomination—a rare compliment of itself. He is a vice-president of the Third National.

Mr. Calfee will go on the Big Council at the Detroit convention. Like Mr. Hawes, he is a St. Louis banker, but has been a strong organization-man, and has an acquaintance which extends into every county in the state. He is cashier of the Mechanics-American National.

Missouri has set another example of how she rewards her workers and keeps bringing young men to the front that they may gain in experience and knowledge and thus keep the Missouri association up to its present high standard.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

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WM. G. SCHROEDER - - - Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
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JOHN R. WASHBURN - - - Assistant Cashier
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Deposits	-	-	27,000,000

Comparative Showing of Deposits

February 14, 1908		\$ 9,887,954.84
February 5, 1909	.....	11,617,691.24
March 29, 1910	.....	15,041,357.21
March 7, 1911	.....	21,574,956.79
June 7, 1911	.....	23,137,746.88
September 1, 1911	.....	24,500,075.82
December 5, 1911		25,445,199.89
February 20, 1912		26,207,446.32
April 18, 1912		27,287,752.30

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Mainly About Banks and Bankers



A GOOD story is told of how Oliver C. Fuller of Milwaukee, assisted by several willing helpers, the day after the trust company banquet, in New York, undertook to find out the amount of ground Fred Kent would cover in showing out of town bankers over the new building of the Bankers Trust Company. Fred always began with the fourth sub-basement and ended with the big room just under the pyramid at the top. A pedometer, secretly attached is said to have registered 39.8 miles. Since then the splendid new banking rooms have been occupied by the company and members of the staff are kept busy conducting tourists. The shorter building to right of Bankers Trust is the home of the A. B. A., known as "11 Pine St.," new offices being on the 12th floor.

JOHN C. RICHBERG, one of Chicago's best known attorneys, and commissioner for Illinois on uniform state laws, has taken up the subject of universal state banking laws, and will present the subject at the annual conference which will take place in Milwaukee in August.

ON May 6th Mr. Richberg wrote to Chairman Charles G. Dawes of the special committee of bankers charged with the preparation of a new banking act for Illinois, offering to lay before the Milwaukee conference the draft of the banking act which shall be prepared by the committee.

CHAIRMAN DAWES responded promptly, thanking Mr. Richberg for the suggestion and saying that he personally would favor having the proposed Illinois banking act offered for consideration before the uniform law commissioners, and that if the draft is ready by August it will be forwarded.

ONCE the commissioners on uniform state laws have agreed upon a form it is the duty of each state commissioner to have the uniform act introduced in the legislature of his own state and offered for passage. Thus it develops that if Mr. Harris and his friends in Illinois had not taken up the work the next legislature practically was certain of having a banking act presented covering largely the same subjects from another source.

MR. RICHBERG has been a close reader of THE CHICAGO BANKER and was interested deeply in the letters written to it by the state banking commissioners, nearly all of whom favor uniform state banking laws so far as possible. Uniform laws covering a great many topics with which bankers have to deal

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have been adopted in nearly all of the states. It will be a step in advance of anything previously contemplated if a uniform state banking law can be prepared which will meet the requirements of the various states.

CHAIRMAN DAWES and his committee are willing, so it is understood, to confer with anyone who has a plan or who is deeply interested in the subject. No attempt has been made or will be made to deny the private bankers or any of their friends any of the privileges accorded to any other interest. They can be heard at any of the sessions of the committee by making proper application.

EACH state has a uniform law commission and the general commission is composed of one member of the state commission from each state, appointed by the governor. It becomes their duty when a bill has met with their approval to introduce it at once in the legislature. It is altogether likely that by co-operation the Dawes committee and the uniform law commissioners can produce such a bill as will be favored generally in the states.

THE American Bankers Association has done wonderful work for bankers and business men in its efforts in behalf of uniform bills of lading and uniform negotiable instruments acts. Why can not some aggressive member of the association—preferably a member of the council—originate a strong committee on uniform banking legislation? A large part of the last annual convention was devoted to the new monetary plan for national banking and currency issue. Why not have the next or some other convention devote its time to uniform state banking laws?

IT is not likely that any more interesting topic for discussion could be suggested than this very one. We should like to hear our friend George Rogers of Little Rock read a paper telling the convention why his fine banking institution is incorporated as a saw-mill?

ARKANSAS is not the only state which could create a laugh by preparing and presenting a paper on the local banking situation, for several states seem to have no direct banking laws of any kind. Who will be the new Moses to bring about this revelation in banking circles?

ONE of the returning pilgrims from Joplin has great pleasure, owing to his warm friendship for "Dick" Hawes, in telling how that young gentleman was elected unanimously to be treasurer of the Missouri Bankers Association.

OUR friend, the pilgrim, says that on the nominating committee Mr. Hawes was seconded from every group in the state. This is quite an honor—to say nothing more about it.

IN the previous ten years there have been the warmest kind of contests for that office, owing to the fact that in Missouri it is the first stepping-stone to the presidency of the association. Most states start their presidential heirs-apparent with the chairmanship of the council.

WE understand that being from Missouri, J. Fletcher Farrell, treasurer of the American Bankers Association, thinks the plan a mighty good one. Here is an innocent little lightning rod set up for any stray shaft which may be floating around in the atmosphere at the convention—after—next.

MISSOURI'S program had certain agricultural features which came off swimmingly at Joplin. Mr. Hawes was one of the pioneers in framing the agricultural committee idea in his state and from now on will be in a position to put Missouri in the very front rank of those states trying to place farming on a higher plane and to make it more attractive and more remunerative.

F. T. HODGDON of Hannibal is on the A. B. A. nominating committee from Missouri and J. A. Schreiber of St. Charles is alternate. The states in succeeding years will make more of this position than in former times. In fact, "after Detroit" the nominating committee will look like a business organization.

ST. LOUIS drew nearly two hundred of the choicest spirits in banking circles to her big barbecue on Saturday last. All of the Middle Western cities of ten thousand or over were represented and delegations were present from the centers.

THIS made it very interesting and profitable. One of the main things talked about by the bankers was the current attempt to improve farm-loan conditions. It is said that the western representatives talked about little else.

EDWARD CHAMBERLAIN was up from San Antonio and was one of those chiefly interested. He is on the agricultural committee of the American Bankers Association and intends making a tour of Europe in company with Myron T. Herricks, at present ambassador to France. Mr. Chamberlain intends to study the farm-loan question.

THE Chamberlain-Herrick idea seems to be to make farm mortgages more marketable, and they hope to establish some central au-

(Continued on page 31)

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IF IT INCLUDES ANY TRANSACTIONS AT
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THE LIVE STOCK Exchange National BANK
OF CHICAGO

California Bankers at Long Beach

California Bankers Association concluded its twenty-first annual convention at Long Beach, one of southern California's famous ocean resorts, on Saturday last. Under the leadership of President Stoddard Jess, Secretary Frederick H. Colburn produced a program which would have answered every requirement for a national meeting of the A. B. A. Everything of the modern character was touched upon, including segregation of savings bank deposits, clearing house examinations, the relationship between promoters and bankers, Panama Canal, postal savings, school savings systems, check endorsement, agricultural and educational development, value of state associations to the banker and other subjects close to the banker's heart and very interesting to those situated on the western coast. It will not be possible to include the entire addresses made by any of these interesting speakers, but in the following summary will be found some of the advanced ideas promulgated at Long Beach which met with ready acceptance and endorsement by bankers present.

The social features which had been arranged by a committee representing all the banks in the county included automobile rides, surf and still-water bathing, a barbecue, privileges of the Virginia Country Club, boat rides in the harbor daily and other attractions of this famous resort, which were all free to those wearing the California delegate badge. Following will be found some of the pertinent remarks made by the distinguished speakers.

President Stoddard Jess Talks

Great interest centered in the annual address by Stoddard Jess, of the First National, Los Angeles. He said in part:

Twenty-one years ago the California Bankers Association was formed—"to promote the general welfare and usefulness of banks and banking institutions, and to secure uniformity of action, together with the practical benefits to be derived from personal acquaintance and from the discussions of subjects of importance to the banking and commercial interests of this state; especially in order to secure the proper consideration of questions regarding the financial usages, customs and laws which affect the banking interests of the whole state, and for protection against loss from crime."

The aims and objects of the association have been, in a large measure, attained; its influence in promoting safe and conservative banking has benefited not only its members, but has had a beneficial effect on the entire business interests of the state; personal acquaintance and close friendships formed among bankers have proven both pleasant and profitable; the influence of the association in securing legislation to insure good banking methods, and proper supervision of banks for the protection of the public as well as in the interests of the banks themselves, will leave a lasting impression on financial conditions in the state; and the protection it has afforded its members against loss from crime has been considerable and is increasing in efficiency every day.

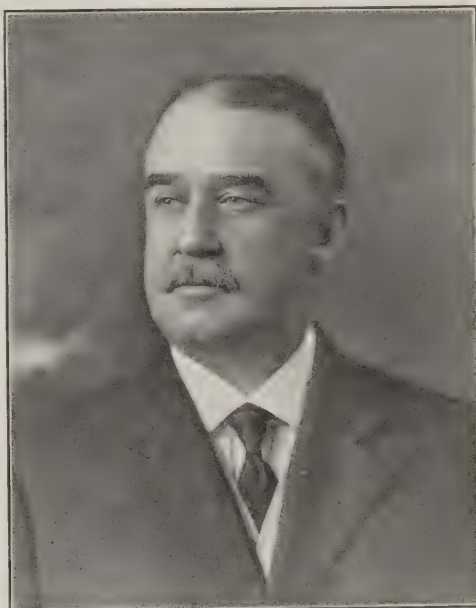
Development of California

The development that has taken place in California since the formation of this associa-

The principal speakers were President Stoddard Jess, P. E. Hatch, Warren R. Porter, Frederick H. Colburn, Geo. N. O'Brien, L. P. Behrens, John S. Drum, H. C. Carr, M. D. Wood, D. E. McKinlay, W. E. Benz, E. J. Wickson, W. H. Doyle, C. H. Bentley, E. S. Wangenheim, Wm. H. Wallace, R. M. Welch, H. S. McKee, F. C. Mortimer, John W. Wilson, E. A. Brown and Thomas E. Connolly

tion has been phenomenal, and the expansion of the business of banking has kept pace with the development in other lines.

In 1891 there were only 246 banks of all kinds in the state, with total deposits of \$238,678,784.73; and to-day we have 732 banks with



STODDARD JESS,
Los Angeles, California
Retiring President California Bankers Association

total deposits of \$769,926,108.92—an increase of three hundred per cent in number, and three hundred and twenty-two per cent in amount of deposits.

While the progress shown is great, California has only begun to develop. The influence of our favorable climatic conditions and our varied products, which make for health and happiness, has called the attention of the world to us, and is only beginning to be felt.

Agricultural Development and Education

One of the encouraging signs of the times is the interest being shown in agricultural development and education. In its final analysis, this is an economic question.

We are more and more becoming a nation of consumers rather than producers of agricultural products. The alarm has already been sounded, that with a continuance of present conditions and tendencies, the United States will not be able to raise the food products necessary to support its population much longer. This condition stands as a menace to our future prosperity. With what once seemed our limitless expanse of fertile soil, now nearly all under cultivation, the solution of the problem

lies in the development of higher efficiency in agriculture.

Much has already been accomplished in California in this direction by our state university with its experimental work and course schools.

Greater liberality should be shown in appropriations, to the end that agriculture should be taught scientifically and experimentally alongside with manual training and domestic science; not only in our universities, but more particularly in our grammar and high schools, where its benefits will extend to all.

The American Bankers Association at its last meeting and several of the state bankers associations have appointed committees to promote agricultural development work. It might be well for our association to do likewise.

Group System

As instructed at the last convention, I appointed a committee of three to investigate and report to the association at this meeting concerning the advisability of adopting the so-called "Group System" in California. The report of that committee will come before this convention for consideration.

In case it should be determined to adopt the "Group System," I wish to suggest for your consideration the advisability of securing in connection with it the advantages of the plan that miscarried, of forming and maintaining what was to be known as the California State Clearing House Association.

In 1908, when the panic of the previous year was uppermost in the minds of the bankers, the association provided for the appointment of a committee of fifteen to make a report on the subject of the formation of interior clearing house associations; the object being to arrange in some way to give the same mutual protection, through the employment of a special examiner, to all interior banks as was enjoyed by the San Francisco and Los Angeles banks through their respective clearing house organizations.

The following year, 1909, at the annual convention held at Del Monte, the committee appointed reported a plan for the organization of the California State Clearing House Association. By the adoption of a resolution presented by the central board of the proposed association, the whole scheme was abandoned—the reason given being the changed conditions owing to the passage of the new bank act with a provision for a new superintendent of banks, with the feeling that the proper attitude of the association should be to uphold the superintendent of banks in his work, rather than to maintain an organization for the purpose of employing special examiners by the banks themselves.

I have always felt that it was a mistake not to have promoted the activity of the California State Clearing House Association. Our opinions are formed from our experiences. For the past four years our Los Angeles Clearing House Association has maintained a special examiner, and I am sure he has been worth many times the cost of the maintenance of his office.

New Bank Act

It is not to be wondered at that it has al-

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Deposits \$5,222,665.86

Resources \$6,817,789.47

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Sec. & Asst. Treas.

ready been found desirable to secure many amendments to our new bank act, and it is likely that many more amendments will be found necessary to make it what it should be.

In its provisions, it is a wide departure from the former bank act of California. It must be remembered that it was formulated shortly after the panic of 1907, and for that reason it might be expected to contain some rather drastic provisions that sound better when considered theoretically than they work out in practice.

The provision of the bank act allowing departmental banking, is a distinct innovation in the annals of banking, and its effect not only on the banking business but on the general business of the community and of the state, should be carefully studied and noted, to the end that any needed restrictions or changes found desirable or necessary may be had; for, first of all, the bankers of the state desire laws that will uphold the financial integrity of the state, rather than to perpetuate any preconceived methods that may be discovered to be dangerous in their tendencies. If certain tendencies noted in some sections of the state develop in a too marked degree, it may be found desirable and necessary to determine by legislative enactment what a savings account is.

There is so much good in the new bank act, that some weaknesses can well be put up with until changed. Under the enforcement of its provisions by our state bank superintendent, the condition of California banks was never as satisfactory as at present.

It must be recognized that the position of state superintendent of banks is not a sinecure at this time. The interpretation of the provisions of the new bank act must be beset with vexations and uncertainties. I believe that our present superintendent of banks is conscientiously endeavoring to enforce the provisions of the act in the light of the best interpretations of it he can obtain through his legal advisers. As bankers, we owe it to him to hold up his hands, even if our interpretation of some provisions of the act may differ from his.

In closing, I wish to express my appreciation of the untiring efforts and zeal shown by the secretary, and of the efficient work of the members of the executive council, and of the several committees in promoting and fostering the upbuilding and support of the association.

The Deposit of Public Money in Banks

H. S. McKee, of Long Beach, said in part in presenting his subject:

The business of depositing public money in banks and the circumstances under which it is done in this state appear to merit thoughtful

consideration, but beyond the steps which have been promptly taken by most banks to obtain these deposits, very little thought seems to have been given the subject.

Prior to 1907 public funds were withdrawn from circulation and hoarded in vaults by public treasurers, but the loud and persistent public demand for a change in so injurious a practice finally resulted in the passage of acts by our legislature, providing that state, county and municipal treasurers might restore these funds to useful circulation by depositing them in banks.

If the legislature had been wise and courageous enough to stop there and allow the treasurers to make these deposits under the same conditions that obtain as to the deposits of all other moneys, the beneficent purposes of the act would have been served and important public benefits would have resulted, but when money passes into the hands of a public treasurer, our system of political "clap trap" sanctifies it under the title of "The People's Money," as though it differed from any other kind of money and "the bogey man would get it if we didn't watch out."

So, instead of allowing it to be deposited in the ordinary way—subject, of course, to suitable limitations, and used by the public in their regular business of producing and exchanging commodities, and thereby exposing

it only to risks of loss so trifling as to be negligible, and especially when compared with the waste and loss which attend the handling of public money in general—our legislature made a departure from sound principles by providing that the banks must secure the repayment of these deposits by depositing with the public treasurer municipal bonds of slightly greater value than the money.

The direct result of this was to bring down upon the banks an army of bond salesmen proposing that the bond house should obtain for the bank a deposits of public money by the following simple process:

Clearing House Examination of Banks

This important subject was well handled by John W. Wilson, examiner for the Los Angeles clearing house. He gave Chicago bankers full credit as follows:

The bankers of Chicago are justly entitled to the credit of this movement which was begun in June, 1906. The fall of 1907 emphasized the demand and demonstrated its efficiency. About twenty clearing houses now have such examiners, the Pacific Coast cities being Los Angeles, San Francisco and Portland, in the order named. The present comptroller of the currency has endorsed the results obtained in the most unqualified terms and has intimated that he may have his own examiners work at greater intervals in cities where the system seems to be working successfully.

Objections have been raised by some that the big bankers would have undue influence over an examiner; that he would be able to ascertain something about the condition of his rival. The objection of many bankers is the expense. The answer to all objections is the fact that no city that has once tried the system would go back to the old way.

It is a community of interest proposition. A city's standing in the financial world is measured not a little by the strength and credit of its banks. Not by the strength of one bank, but by the strength of all of its banks. While there is rivalry and keen competition, the fact stands out that the failure of one bank in a community throws a doubt in the minds of a suspicious public upon all.

Striking Example of Clearing House Supervision

Many instances could be given, but two in particular stand out and emphasize the value of the services of this self-constituted and self-governing body. Some years ago a bank was opened in Los Angeles. There was an air of mystery about it, but it grew. False and misleading advertisements were paraded and innocent people flocked to the bank to deposit

Trust Company Service in New York City

This company, with ample capital, large resources, and an efficient, and well-systematized organization, which dates back to 1864, has the ability and disposition to give good trust-company service.

Our various departments, including banking, foreign exchange, bond, trust, transfer, reorganization and collection, are well equipped with modern facilities for transacting business promptly and economically.

For these reasons we feel justified in cordially inviting the New York accounts of banks and trust companies.

Guaranty Trust Company of New York

Capital and Surplus \$23,000,000
Deposits - \$178,000,000



125 West Monroe Street
CHICAGO

Central Trust Company OF ILLINOIS

Capital, Surplus and Profits, \$6,000,000
Deposits 42,000,000

Accounts of banks and bankers received upon favorable terms

*Thoroughly equipped to handle all business pertaining to banking, and
invites the accounts of banks, corporations, firms and individuals*

their money. The bank was started on a shoe string; of the first one hundred thousand of capital, less than thirty thousand was actual cash. Nearly all the stock was held by the officers who by pooling the stock managed to negotiate a large loan. Thus thirty thousand dollars became one hundred thousand with no shareholders' responsibility because the promoters had no money.

To meet interest on the borrowed capital the officers voted large salaries to themselves. With everything to gain and very little to lose, they spent their borrowed capital freely. The one hundred thousand capital soon dwindled to sixty-five thousand through bad loans and enormous expenses. By constantly keeping themselves in the public eye and working on the sympathies of the ignorant classes their deposits increased rapidly. While the capital of the bank was seriously impaired, these scoundrels were selling stock of the bank worth sixty-five dollars at one hundred and thirty dollars to ignorant people and defenseless women.

Loans that no reputable bank would make found ready lodgment there. The patronage of thieves, gamblers, and confidence men was welcomed. The note pouch showed the names of more than twenty men that had been arrested or had skipped the country. These facts became known when the bank, after creating a fictitious capital of two hundred thousand dollars, applied for admission to the clearing house. On such a showing do you wonder the application was denied?

One of the strongest points about this self-governing body is the fact that without law they are in a position to demand that men who run banks must have reputation and integrity. Admission was denied, for which action the clearing house was roundly condemned, in many cases by people that should have known better.

Think of it! Here was a bank with not more than sixty per cent available cash. The clearing house demands character, not riches. Having no control over the bank, the clearing house could do little, save deny it clearing privileges. Its condemnation, however, was unrelenting, vigorous and ultimately successful. It is to be hoped the time will come when all depositors will be sufficiently keen to their own interests that they will ascertain what banks have the sanction of the clearing house. The bank finally came into honest hands and now enjoys the confidence of the public.

Country Clearing House Districts

Some years ago there was a movement on foot to place the entire state into districts. Each district was to have six trustees. Many of the districts organized, some even chose their examiners, and the matter was dropped. Did you ever consider what bank was the easiest to examine? It is the city bank. You find there loans on stocks and bonds of known value. If the paper of firms and corporations, mercantile agencies can enlighten you. If mortgages, the price per front foot is more easily arrived at than acreage in the country. Much of the paper in the country banks is personal and the banker is an optimist.

Did you ever know of a banker that would admit that any great amount of the paper he was carrying was bad? There may be notes with interest long overdue, notes of which the makers are in financial straits. The banker is sincere, he believes they will ultimately come out all right. Unless the amount is very large, the regular examiner has not the time to look into such matters.

A district examiner would take the time. A careful analysis of credits is the most important part of his work. After compiling the loans, he would consult the district trustees. Brown's loan in one bank seems all right, it is found he is a borrower in several. Brown has borrowed a certain amount in the district, the banks and separate amounts are not mentioned. Is he good for it? Some of the six

trustees would know Brown, if not, he would be the subject of a special investigation by the examiner.

Examiners in adjoining territory would exchange lists of the large borrowers. Where borrowers in one district were found in another, each examiner would furnish all the information at his command.

Value of State Associations to Bankers

Wm. H. Dodge, president of the Arizona Bankers Association, presented an effective "shop-talk," giving the plan a big boost. He said in part:

Since the organization of the first bank in Arizona, in 1877, by San Francisco gentlemen with San Francisco capital, the relationship between the banks of California and Arizona has always been close and friendly, and it was this relationship, developed by personal contact, that prompted me to select for the subject of my paper, "The Value of the State Association to the Banker." The advantages of membership are many and I will mention but a few of them, dwelling especially upon those less often receiving proper valuation.

The privilege we enjoy of listening each year to instructive papers by students of economics and finance widens our horizon, stimulates study and research in the larger financial subjects, thereby giving us a better understanding of the warp and woof of this great financial fabric, of which we, as individuals, are but the fringe.

This larger interest naturally begets desire for attendance at the annual session of the American Bankers Association. It brings to us the realization that our state associations must be ably represented upon the executive council of that body if we are to do our share toward making that organization more truly representative of the bankers of America and less likely that its control be restricted to narrow geographical lines.

Arizona and New Mexico comprise an empire of more than 235,000 square miles, with bank deposits of upwards of \$40,000,000, and we believe that one of our 107 members could better represent us on the executive council than could a gentleman from Delaware, New Hampshire or Vermont.

When, gentlemen, through your continued industrial and agricultural advancement and with the completion of the Panama Canal, the volume of your wealth will have grown to bounds undreamt of, even by yourselves; and

J. HERBERT WARE

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your bank deposits shall have been trebled and quadrupled; and when Arizona, outgrowing her colicky period of new statehood, shall convert her tremendous potentialities into a golden stream, passing through our financial institutions into the reservoirs of your reserve centers, it is my firm belief that the relations existing between the banks of the two commonwealths will be as close and harmonious as they are to-day.

E. S. Wangenheim on Promoters

Touching upon the relation between the banker and the promoter, Mr. Wangenheim said:

The country banker sits at his desk, wondering if his competitor across the street is running his business in accordance with bank act, or how soon he must go to the wall, as he is losing all his business. Enter, a well-groomed, slick young man, asks for the manager, asks for an appointment, perhaps proffers a cigar—a good one—and leaves after having made a date for later in the day. Returns on time, explains his mission, which is to make your bank the largest in the county, as his company is the biggest, the cleanest and most worthy. As a favor, he will allow you to invest. If you hold back, he will offer you a directorship in the company. All the money collected in your county is to remain in your bank, or loaned out to your clients, or on your advice, and he plays generally on your credulity, for as Lamb says, "Credulity is man's greatest weakness." Your subscription for stock taken, the rest is easy, perhaps.

D. E. McKinlay on Panama Canal

Mr. McKinlay is surveyor of customs at San Francisco and believes in the canal. He reviewed the history of the undertaking and learnedly referred to other great public works and in conclusion predicted that:

When the Panama Canal is completed the commerce and trade of the world will be revolutionized. San Francisco will be brought nearly 9,000 miles closer to New York than it is to-day and European ports nearly 6,000

miles closer. It is estimated by statisticians skilled in transportation and in carrier service that the cost of transporting the great mass of bulky products from the Pacific Coast to eastern seaboard of the United States and to European points will be reduced nearly two-thirds. In other words, freights that now cost approximately \$1 per 100 pounds over the transcontinental railroads from Pacific Coast ports to eastern markets may be carried through the canal for about 33 1-3 cents. It is estimated that this saving of freight on timber alone which is still standing in California would pay the cost of the canal, great as it is, three times over. We can hardly estimate the effect that this shortening of water rates will be on all the countries fronting the Pacific Ocean.

Other Subjects Presented

W. E. Benz spoke on the postal savings system. M. D. Wood reported for the delegates to New Orleans A. B. A. convention and Frank C. Mortimer read a paper on the school saving system. As a "field" it has not grown much in ten years.

R. M. Welch, former secretary of the California association, and with the Union Bank and Trust Company, San Francisco, read a valuable technical paper on "crossed" checks as they call it in England. In reality he proposed a comprehensive plan for general use of checks made payable to bearer.

Prof. E. J. Wickson, of the college of agriculture, University of California, Berkeley, discussed the question of agricultural and educational education in a broad sense and entertained the delegates in a profitable way. Most of the addresses were too long for reproduction in a periodical, especially with four other conventions going on in the same week.

Neither can many of them be extracted or summarized so as to preserve their best effects.

MAINE BANKERS AT RANGLEY LAKES

Secretary R. S. Hall of the Maine Bankers Association has sent out notices to the effect that the state convention will be held at Rangley Lakes on June 15th and 16th. The railroad schedules in Maine are quite complicated, a large part of the advance circular being a special time-table showing the starting time and connections for Rangley. Secretary Hall is doing his very best to secure special trains starting at Bangor and touching at Waterville, Bath, Brunswick, Augusta and other points. A part of the trip necessarily will be by boat from South Rangley to Rangley and return. Those desiring to attend the Maine convention should address Secretary Hall at Waterville.

GROUP 1, JUNE 27, AT MOLINE

Chairman G. F. Anderson of Group 1, Illinois, has sent out invitations to attend its meeting at Moline, June 27th, on board the Steamer W. W. The boat will leave the foot of 16th Street promptly at 9 A. M. (rain or shine). The business session of the group will be held on the boat en route down the river as far as Muscatine. "Dutch" lunch will be served on board on the return trip to Moline, arriving at 5:30 P. M. This will be strictly a "stag" affair and the fun and the attendance both promise to be large. A good program has been provided.

LIPPINCOTT'S FOR JUNE

June Lippincott is the choicest of summer reading. The long story—complete in one number—is "Helping Hersey," by Baroness Von Hutten. There are many short stories by leading writers and a choice selection of live topics. The best buy on the counters for 25 cents is Lippincott's.

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Banking Conditions in Tennessee—Knoxville Convention

In making this address, if I may dignify my remarks by such a title, I shall not make any review or résumé of the past year's work of our association, because this will be brought to your view and consideration by the reports of the secretary and of the committees which are to be heard during our deliberations. I shall choose rather to depart from this custom by making some observations on matters pertaining to the general welfare of our state, looking to future development instead of reflecting upon our past record.

The Tennessee Bankers Association is composed of representatives from every portion of the state, and while its object is primarily to develop plans for the improvement of the banking business, the affairs of its members are so interwoven with all other commercial interests, it is entirely within the purview of its work to consider questions of vital importance to the advancement of our state.

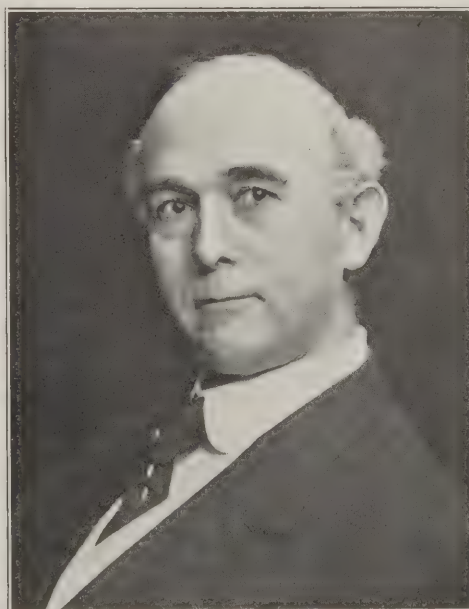
I shall not take up the discussion of the national financial policies, because these are now in the hands of a commission of experts who have for some time been at work developing plans for changes in our currency laws so as to give a sound system suitable to the demands of the business world.

The burden of my remarks will be to urge the bankers of this state to work as a unit, in an endeavor to place the affairs of our government in the hands of capable and honest business men and to co-operate with such men to make it desirable for capital to invest in our state, and to encourage immigration, so that the present decade will show marked gains in population and wealth.

We hear so much about the wonderful opportunities of other countries that we overlook our own natural resources. I shall not attempt to enumerate our many advantages, as they are well known to those listening to me, but I

President Wesley Drane speaks on general welfare of the state and the part bankers have in building it up. Tells them home opportunities are as abundant as may be found anywhere else

will say, however, that I have traveled in many states in our Union and have almost daily business dealings with parties in other lands,



WESLEY DRANE
Clarksville, Tennessee
President Tennessee Bankers Association

and I believe one can come nearer finding everything he could possibly desire within the confines of the Old Volunteer State than anywhere else in the world.

It is unfortunate for the people of Tennessee to be persuaded by foreign land agents to seek homes or investments outside of our own state. It is a mistake on the part of the citizens of this state to invest their surplus elsewhere, which should be used in developing properties at home. The facilities for all to trade in the stock exchange have been so extended that anyone with a few dollars to invest is tempted to try his luck in a share of stock in some large or small corporation concerning which he knows practically nothing, rather than invest his money in some local enterprise, or use it in improving his own business in which the risk would not be so great, and over which he would have more control, and at the same time improve his own ability, and to that extent make a citizen more interested in the development of his own community.

We are not satisfied with the moderate growth of our population, and need a greater number of citizens to make use of our fertile soils and enjoy our salubrious climate, and this cannot be secured unless we present these advantages; but before doing this, we must first get our house in order by changing some of the evil conditions which have become engrafted, as it were, in our body politic.

It is not the spirit of this organization to engage in politics, and, as its president, I shall not break one of its written or unwritten rules, but it is certainly within the functions of our association to encourage and even advocate, policies which will benefit the business building of our commonwealth.

I have referred to the disposition of our citizens
(Continued on page 29)



ESTABLISHED 1902

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CAPITAL ONE MILLION DOLLARS



GROUP 5, ILLINOIS, JUNE 5-6

Secretary Stuart Duncan of La Salle has sent out an advanced program for Group 5, Illinois, meeting to be held in La Salle on June 5th and 6th. The bankers of that city have arranged a program and accompanying entertainment which will keep the delegates and visitors well employed and in a happy state of mind over the two days covered by the sessions. Mayor Thomas F. Doyle will make the address of welcome and E. D. Durham will make the response. There will be a formal address by President L. E. Rockwood of Gibson, after which various committees will make reports. Among the distinguished speakers will be Frank W. Aldrich of McLean, on county bankers' federations; Robert W. Bonyng, on national reserve plans; W. H. Mills, editor of the Ottawa "Free Trader," on the banker and the farmer, and S. E. Bradt, chairman of the state committee on roads, will tell what has been done by his division of the state organization. There will be a smoker on Wednesday evening with an open discussion on bank taxation led by Charles E. Hook of the First National at Ottawa. Further discussion will be had upon interest rates as paid to depositors, led by John W. Dougherty of the First National at Dwight. Other topics for discussion may be offered by visiting members. As a part of the convention program on Thursday it is planned to show the visiting bankers Starved Rock, which is the new Illinois state park, and Deer Park, where dinner will be served at 2.

CHICAGO CHAPTER ELECTS OFFICERS

The result of the election of officers of the Chicago Chapter, held on Tuesday evening, May 28th, follows: President, John W. Rubenamp, Corn Exchange National; vice-president, F. E. Musgrove, Illinois Trust and Savings; corresponding secretary, Wm. J. Bruebach, Merchants Loan and Trust; financial secretary, Bruce Baird, First National; treasurer, John C. Cosgrove, Jr., National City. Executive committee: one-year term, C. A. Edmonds, Northern Trust, and Lee A. King, National City; three-year term, Guy Wickes Cooke, First National.

The following were elected delegates to the convention of the Institute, which will be held at Salt Lake City in August: Henry H. House, Robert F. Kirchhoff, Richard S. Fletcher, Joseph O. Grant, Philip C. Griffin, R. G. Jones, Clarence A. Robb, Thos. F. Walters, Pierre M. Pederson, Alfred R. Bennett, W. A. Ernsting,

J. F. Metzger, G. E. Bangs, Guy Wickes Cooke, Franklin Le Pelley, J. P. McElherne, W. F. Murphy, M. F. O'Connor, O. W. Draeger, George Hill, Edwin C. Baur, George A. Malcolm, Herbert C. Roerr, Frank R. Curda, Theo. F. Elworth, Carl Otto, John P. Scanlan, Wilber K. Lyle, John H. Grier, Robert I. Simons, James E. O'Riley, Lee A. King, Chas. E. Whittle, A. G. Holmes, James A. Russell, John W. Gorby, John J. Anton, David Johnstone.

St. Louis Barbecue

The Bankers Club of St. Louis entertained bankers from all over the country at a barbecue held at the Log Cabin Club on Saturday, May 25th. Many prominent bankers attended this most enjoyable function, Chicago being well represented in the gathering by George M. Reynolds, president of the Continental and Commercial; J. B. Forgan, president of the First National; W. T. Fenton, vice-president of the National Bank of the Republic; L. A. Goddard, president of the State Bank; J. Fletcher Farrell, vice-president of the Fort Dearborn; James B. McDougal, examiner of clearing house banks, and Ralph Van Vechten, vice-president of the Continental and Commercial. Each visiting banker upon arriving in the city was met by a representative of the St. Louis bankers. On Friday evening an informal reception was held at the St. Louis Club in order to give the guests an opportunity to meet St. Louis bank officers and directors, the affair being greatly enjoyed by all present. On Saturday morning about seventy-five automobiles were lined up in front of the hotel, each of the visitors being given a slip on which was printed the number of his car, from which he was to see the park and boule-

vard system of St. Louis on the way out to the Log Cabin Club. This enabled those participating to get a good view of the beautiful residences of some of St. Louis' most prominent citizens. On the way out the bankers were greatly pleased to see Charles H. Huttig, president of the Third National, standing on his front porch, who, however, was not feeling well enough to join the jolly throng. The Log Cabin Club is situated about fifteen miles from the city. After arriving at the club, fishing, shooting, golf and other amusements were indulged in by the pleasure-seekers, prizes being awarded to those who displayed the greatest prowess in their respective lines. Some of those who succeeded in capturing the honors are George M. Reynolds, Ralph Van Vechten, James B. Forgan, E. F. Swinney, president of the First National of Kansas City; L. A. Goddard, of the State Bank of Chicago; John McHugh, president of the First National of Sioux City, Ia.; J. A. Thatcher, president of the Denver National; Gordon N. Peay, president W. B. Worthen & Co., Little Rock, and Joseph T. Talbert. Luncheon was served around the clubhouse in the shade, after which the amusement features were continued. In the evening the visitors went across a little lake situated near the clubhouse to attend the barbecue, which was announced as having been prepared by an Indian chief. A most delightful time was had by all present.

The affair was very unique in its nature. It

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brought a great many prominent bankers together, and gave them an opportunity to get better acquainted with each other in an easy and informal way. It was an occasion which will be remembered for a long time by those who attended on account of the hospitality and good fellowship displayed by the St. Louis hosts. Among the other prominent bankers who attended are E. E. Crabtree of Jacksonville, Ill., J. H. Ingwersen of Clinton, Iowa, Arthur Reynolds of Des Moines, Luther Drake of Omaha, and Edward Chamberlain of San Antonio.

The Log Cabin Club is a very unique organization. It has about twenty-one members. The only rules in force are that nothing said within the sanctum of the club shall be repeated, and members are forbidden to discuss business matters while availing themselves of the benefits and privileges afforded by the institution. All expenses are met by special assessments of the members.

REALTY OPPORTUNITIES AT MOBILE BAY

A prominent banker and manufacturer of Mobile, Ala., speaking of the 13,000 acre Cameron tract, now on the market, stated: "I firmly believe there is no better spot or tract of land so well adapted to factory sites, railway terminals, and docking facilities, as this one—having 12 miles of water front on the bay and rivers which pass through this tract, together with approximately 50,000,000 feet of merchantable hardwood timber, not taking into consideration the great amount of piling for making docks, also hardwood railway ties."

Editor R. E. Edmonds, of the Manufacturers Record, of Baltimore, in an interview, stated that "Mobile in its relation to Birmingham, has the nearest water connection port to a mineral district in the world, and will participate in the tremendous development of the Birmingham district. The fact that water transportation is available and, when the government locks are completed on the Tombigbee and Warrior rivers, will give a low freight rate to this port.

should be a big advantage for Mobile, as an outlet for the mineral products of the state. I notice that the foreign commerce of Mobile has shown a large increase within the past few years, but you may look for a much larger increase when the Panama Canal is open for traffic. Mobile is particularly well situated for prospective tide water transportation from the great mineral districts of Alabama."

The Alabama River together with the Tennessee, runs through the Cameron tract. The Warrior empties into the Tombigbee and the Tombigbee into the Alabama. The United States government is now spending large sums of money putting locks into the Tombigbee and Warrior rivers which will bring all of the deep water transportation through the Alabama into the bay, and thence to outside ports. Ore and minerals at large will be floated by barges down to the Port of Mobile, where they will be reloaded into ocean going vessels.

It can be readily seen that this tract of land holds the strategic position so far as shipping by water is concerned.

The L. & N. R. R., which is triple tracking

from Nashville to Mobile, touching this tract on the north, is a very valuable asset and it will be an easy matter to make extensions and railway freight terminals on this tract. Ocean going vessels can be run into Grand Bay and the freight loaded for export as soon as the docks are built.

Col. N. F. Thompson states as follows: "I deem it vital to the expansion of the export business of Mobile, to let the world know that Mobile will have a depth of channel equal to that of the Panama Canal."

At the present rate of increase in property values that border on Mobile Bay the value of this tract within the next five years should be approximately \$50 to \$60 per acre, or if used for the purposes above enumerated it would be impossible to place a valuation on it. In February, 1912, 2,000 feet on Mobile Bay, joining this tract, sold for \$4 per front foot.

No wise investor with sufficient funds to buy this property should let the chance of increasing his earnings, and getting a foothold in such valuable territory slip by. H. H. Hardinger, representing H. O. Stone & Co. of this city, spent some time investigating the Cameron tract and upon his advice the firm undertook to find a market for the splendid opportunities found in the Cameron tract, one of the most promising of all the properties examined. H. O. Stone & Co. will give particulars and plans.

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The wealthy and progressive city of Nashville has many financial institutions that are numbered among the most substantial and prosperous in the country. One of the oldest and strongest is the Fourth National Bank of Nashville. It has enjoyed forty-five years of continuous growth, and now reports deposits close to \$7,000,000, with surplus and profits of \$783,423.04. The capital stock is \$600,000. W. C. Dibrell is president; J. H. Fall, and Walter Keith, vice-presidents; J. S. McHenry, cashier; G. W. Pyle and C. H. Litterer, assistant cashiers.

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Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

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Gardner P. Stickney
Clement C. Smith



BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

Nearly every banker in Milwaukee will be represented on the annual week's junketing tour of the jobbers' division of the Merchants and Manufacturers Association, leaving Milwaukee on Monday, June 3d. City bankers included in the delegation of 100 Milwaukee business men, which will travel through the central portion of the state in a special train over the Milwaukee road, are: E. J. Hughes, First National; E. H. Williams, Marine National; Albert C. Elser, Second Ward Savings; Walter Kasten, Wisconsin National; E. A. Farmer, German-American; E. A. Reddeman, Germania National; William M. Post, National Exchange; and John F. Strohmeyer, Milwaukee National. Mr. Strohmeyer stipulates that he be assigned a berth in the "quiet car," discovered by previous experience to be the third from the buffet car. The balance of the banker contingent is divided equally between the "noisy," "live wire," and "quiet" cars, respectively first, second, and third from the source of all good things at the front end of the train. The deputation will leave Milwaukee early Monday morning returning the following Sunday. Thirty-four stops, of which six will be overnight, will be made at the principal cities and towns through the central portion of the state between Milwaukee and Superior.

German Bank of Sheboygan

An assessment of 200 per cent will be levied on the stock of the German Bank of She-

boygan, which closed its doors last week following the sudden death of its president, Frederick Karste. The institution, according to Banking Commissioner Kuolt, will reopen in thirty days. It is said, although not authoritatively, that a large portion of the stock may be acquired by the First National Bank of Milwaukee in the course of the reorganization process.

Group 6 at Antigo

The seventh annual meeting of Group 6, Wisconsin Bankers Association, was held at Antigo on Wednesday of this week. Following the reading of the annual reports by President W. B. McArthur, Antigo First National, and Secretary-Treasurer Carl Rosholt, Rosholt State Bank, H. A. Moehlenpah, Clinton Citizens State Bank, addressed the bankers on the reserve insurance project now before the state association and Secretary Francis A. Cannon of the Citizens Business League of Milwaukee spoke on good roads as affecting the banker. "Co-operation between the Farmer and the Banker," by R. B. Johns, Antigo, "Effect of Alteration and Modification of Bank Paper," by Attorney M. E. Rosenberry, Wausau, and informal discussion of overdue papers, advertising, and other matters of interest to bankers occupied the afternoon session. The convention closed with a banquet at the Hotel Butterfield in the evening.

A delegation of Milwaukee bankers attended

the group meeting, traveling in a special sleeper provided for them by officials of the Chicago & North-Western road. The Milwaukee contingent included E. A. Reddeman, Germania National; E. J. Hughes, First National; Albert C. Elser, Second Ward Savings; Willis L. Cheney, Wisconsin National; William M. Post, National Exchange; E. H. Williams, Marine National; R. W. Baird, Wisconsin Trust Company; Walter Kasten, Wisconsin National; and Secretary George D. Bartlett of the state association.

Change in Group Meeting Date

Secretary George D. Bartlett of the state association announces a change in the date of the meeting of Group 6 at Shawano from June 19th to June 12th.

Death of Wisconsin Bankers

W. E. Kellogg, cashier of the Kellogg National Bank of Green Bay, one of the oldest financial institutions in the state, died suddenly on Monday of apoplexy, following his return from a visit to his son and daughter at the state university at Madison. Mr. Kellogg was sixty years old, and had been engaged in the banking business since boyhood. He had nearly completed his twentieth year as cashier of the Kellogg National.

Another pioneer Wisconsin banker, Major Joseph Stannard Baker, died this week at his home in St. Croix Falls, at the age of seventy-four years. At the opening of the



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Civil War, Mr. Baker received an appointment to the United States secret service, and engaged in work which brought him often into close personal relations with President Lincoln. When the First District of Columbia Cavalry was organized he was appointed captain. He soon became major, and during the last two years of the war was in active command of the regiment. Major Baker came to Wisconsin and located at St. Croix Falls in 1874, representing the land interests in northern Wisconsin of Caleb Cushing and General Benjamin F. Butler. He retired from active business interests several years ago.

GUARANTY CLUB'S SECOND ANNUAL OUTING

The second annual outing of the Guaranty Club, composed of the officers and employees of the Guaranty Trust Company of New York, was held Saturday, last, at Terra Marine Inn, Staten Island. A baseball game between the main office and the Fifth Avenue branch of the company resulted in a victory for the latter by a score of 6 to 4. A tennis tournament, running matches, relay races, and concluding with an elaborate dinner at the Inn, constituted the day's program. Charles H. Sabin, vice-president of the company, before presenting the prizes to the successful contestants in the various athletic events, took occasion in a brief speech to emphasize the fact of the remarkable growth in deposits of over \$40,000,000 during the past year.

GROUP 6, INDIANA, MEETS AT RISING SUN

The annual meeting of Group 6 was held at Rising Sun, Indiana, Wednesday, May 22d. A reception committee of Rising Sun bankers met the delegates and visitors to the meeting

at Aurora with automobiles and fast river boats, and conveyed the party to Rising Sun.

After a delightful ride of eight miles the meeting was called to order in Clark's Opera House, Rising Sun. An interesting session was held, after which dinner was served to a company in excess of two hundred. Fresh fish predominated. The meal was served by



M. L. RIDDLE
Managing Editor, Texas Bankers Record

twenty charming young ladies of Rising Sun and was very much enjoyed by those present. An orchestra furnished music during the dinner.

At two o'clock the business of the group was resumed, consisting of a very interesting and well received address by Prof. J. H. Skinner of Purdue University. Dick Miller of Indianapolis also made a most pleasing address, and upon this occasion became quite serious in regard to the matter of some salesmen going over Indiana "hoodwinking" widows and innocent persons into buying "Blue Sky" instead of investing their money in well established and fully protected bonds of good organizations.

The following were chosen for group officers for the ensuing year: Chairman, Frank Griffith of Columbus; secretary, J. W. Johnson of Patriot; member of nominating committee, Lucian Harris of Rising Sun.

NEW GEORGIA ASSOCIATION OFFICIALS

The list of officers elected by the Georgia Bankers Association at Atlantic Beach are: President, B. W. Hunt, Eatonton; vice-presidents, L. P. Hillyer, Macon; L. G. Council, Americus; H. W. Stubbs, Quitman; J. T. Duncan, Douglasville, and H. P. Hunter, Elberton; secretary, Haynes McFadden, Atlanta, and treasurer, E. C. Smith, Griffin.

"BLUE SKY" LAW FOR ARIZONA

Phoenix, Ariz.—The senate has passed the house bill modeled on the "Kansas Blue Sky Law," providing that no corporation shall offer its stock for sale to the public until the state corporation commission had declared in writing that such stock is a safe investment. The bill now goes to the governor.



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C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, May 29.—Continued quietness marked the St. Louis monetary situation during the past week. In certain quarters disappointment is expressed at the failure of mercantile demands to pick up, for it had been anticipated that ere this general business would be well on its way back to normal. Elsewhere, however, there is not a single note of pessimism though all agree that things are ultra quiet. The more hopeful say that things are not really bad, and that, all considered, business is quite as good as could be expected. Then the optimistic ones point out the strong position of western banks, and the solidity of the country at large. Just now the chief factor is the crop prospect, and it can be said that during the last two weeks things in that direction have looked up considerably. Outside of the "crop killer" reports of threatened drought in Nebraska and Kansas, wheat indications are immensely better than on May 1st, when the government report was published. Reports at hand from a widely scattered area of the winter belt indicate that the June 1st conditions will show at least 3 points over that of May 1st. Under favorable weather conditions the planting of corn has been pushed night and day, and there is little doubt that an enormous increase in acreage over 1911 will be shown. It is true that a portion of the increase will be at the expense of wheat, but it is fortunate that the wheat damage came early, so the abandoned land can be used for other crops. In this region, and far to the south, prospects for fruits and the small crops are smiling and delightful. The yield will be enormously under that of the preceding year, and even commission dealers predict a reduction in the high cost of living, in so far as fruits and vegetables are concerned. Merchants, however, are continuing to follow the hand to mouth policy of the past weary months. The spurt of expansion of some weeks ago was checked by the political uncertainty. This, it is believed, will be a detrimental factor until after the conventions at least, and the most distant future is in a large measure contingent upon the results of the great national gatherings. Meanwhile, the banks are doing a fair routine business, and clearings continue to run way out over those of a year ago. Deposits are seasonably heavy, with country balances showing curtailment.

Bankers Day in Country

The laity has been wondering what great secret or plot was hatching financially when bankers from all sections of the country gathered at the picnic of the St. Louis Bankers Club. It was hard for the ordinary man to understand such a thing as leading financiers getting together simply to have a day's sport

and fresh air. However, on the very best authority there was nothing to the meeting other than to have a holiday and get acquainted, and in that object the affair was certainly a grand success. Men acted like boys, and did about everything except play leap frog. The visitors were to a man delighted with their entertainment, and many of the Easterners, who had never been to St. Louis before, were surprised at the looks of the city and the extent and beauty of its residence district. The feature of the day was the barbecue, which was under the able direction of Lon C. Hill, an Indian chief, and one of the richest bankers of southern Texas. There were two yearling steers, eight sheep, three calves and eight hogs roasted, and roasted to a turn. After the golf, fishing, boating, shooting, tennis, rambling and talking of the morning appetites were abnormal, and the bankers fell upon this meat and devoured it with more zest than they would accept new accounts for their several banks.

Among Those Present

Excepting conventions of the American Bankers Association, there has never been a more notable gathering of financiers in St. Louis. Representatives of some of the most powerful banking institutions in the East were guests, including J. S. Alexander, president of the National Bank of Commerce, New York; George M. Reynolds, president of the Continental and Commercial National, Chicago; J. B. Forgan, president First National, Chicago, and F. O. Watts, president of the First National, Nashville. Other bankers who were enthusiastic about the picnic were: New York—F. W. Allen, vice-president Mechanics and Metal National; J. B. Martindale, president Chemical National; D. E. Pomeroy, vice-president Bankers Trust; Charles H. Sabin, vice-president Guaranty Trust; Joseph T. Talbert, vice-president National City Bank; Clark Williams, president Windsor Trust, and William Woodward, president Hanover National, Boston—Albert A. Jackson, vice-president Gi-

rard Trust; William A. Law, vice-president First National; J. R. McAllister, president Franklin National; L. L. Rue, president Philadelphia National; E. F. Shanbaker, president Fourth Street National. Chicago—Ralph Van Vechten, vice-president Continental and Commercial National; W. T. Fenton, vice-president National Bank of the Republic; L. A. Goddard, president State Bank of Chicago; J. F. Farrell, vice-president Dearborn National; James B. McDougal, examiner for Chicago clearing house banks. Besides there was a strong representation from Philadelphia, Baltimore and smaller cities in the West and Southwest. All told, about 150 guests were entertained.

Bank Clerks Name Board

The board of management of the Bank Clerks Association of Missouri, which will serve during the ensuing year, was elected at the meeting this week as follows: J. F. Ash-off, Hugo Boehl, W. H. Bramman, H. J. Brenner, F. Falkenheiner, H. Haill, H. S. Rein, J. H. Ruenheck, P. D. C. Walsh, George M. Willing, F. W. Wrieden. The meeting was held at the State National.

Kelton White Promoted.

Kelton E. White has been elected treasurer of the Little & Hays Investment Company, to succeed Birney Dysart, who has formed a connection with a Poplar Bluff, Missouri, commercial concern. Mr. White has been connected with the investment company for about twelve years.

Abner Davis on Trial

Some interesting points are being developed in the trial of Abner Davis, now being conducted in Oklahoma City. Davis is being prosecuted in the federal court for alleged misuse of funds. Clarence Owen, an employee of the banking department, testified that the Oklahoma State Banking Board held approximately \$800,000 of promissory notes indorsed by I. M. Putnam, Oklahoma's wizard real estate promoter, when Putnam qualified as bondsman for Davis, former president of the Night and Day Bank. Owen declared that he was unable to realize anything on the Putnam paper, which became the property of the state when the guaranty law was invoked to liquidate the Columbia Bank and Trust Company, the Planters and Merchants Bank and the Night and Day Bank.

The Fairfield State Bank of Fairfield, Free-stone County, Texas, has been organized with a capital stock of \$150,000. The incorporators are F. E. Hill, W. N. Sneed, T. J. Hall and others.

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

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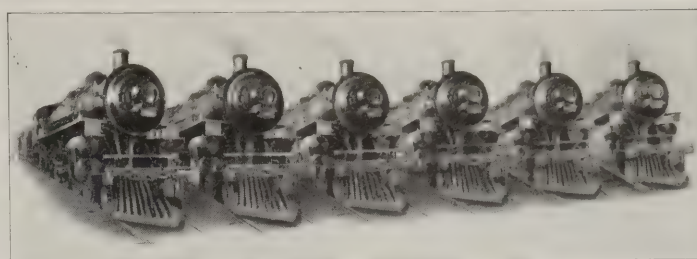
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GROUP 7, INDIANA

Group 7 of the Indiana Bankers Association held a very successful meeting at New Albany, Thursday, May 16th. About 75 bankers of southern Indiana were in attendance. Luncheon was served to the visiting bankers at the "Tavern" Hotel, after which the company adjourned to the handsome directors' room of the second National, where the meeting was called to order by J. C. Zulauf, chairman of the group. An address of welcome was delivered by the Hon. Chas. D. Kelso. Dick Miller of Indianapolis gave a very interesting talk on "The Banker and the Business Community," which was greatly enjoyed. Mr. Miller is quite an orator, and, having the comic side of his disposition largely developed, he kept the meeting convulsed with laughter at his funny stories. Prof. John H. Skinner of Purdue University gave a most instructive talk on "Co-operation Between the Banker and the Farmer," and "What Purdue University is Doing that will Help the Farmer." Senator Stotsenburg spoke on the subject of "Legislative Needs of the Banks for Increased Efficiency from the Standpoint of the Public." Several interesting questions were then discussed informally, closing a meeting that was very interesting and instructive.

ADOPT GROUP SYSTEM

At the nineteenth annual convention of the Saving Banks Association of the State of New York, held last week, the principal business transacted was the adoption of amendments to the constitution and by-laws dividing the association into five groups, each group representing a particular geographical section of the state.

TENNESSEE BANKERS AT KNOXVILLE

Knoxville, Tenn., May 29, 1912.—The twenty-second annual convention of the Tennessee Bankers Association was called to order yesterday morning in this city by President Wesley Drane. Addresses of welcome were delivered by Samuel E. Hill, representing the mayor of Knoxville, and by H. T. Ault, president of the Knoxville Clearing House. The



F. M. MAYFIELD
Nashville, Tennessee
Secretary, Tennessee Bankers Association

response was made by Frank K. Houston of the First National at Nashville. President Drane then delivered his annual address, which was very interesting and which will be found printed elsewhere in this edition of THE CHICAGO BANKER. Hon. L. P. Padgett, member of Congress, and a member of the national monetary commission, addressed the convention on Tuesday. Secretary F. M. Mayfield made his report and the session closed with reports of committees. The afternoon session on Tuesday was devoted to a meeting of the state banks section of which L. T. Ward of Collierville was president and J. P. Wood of Woodbury was secretary. This section had J. N. Dolley of Kansas speak on his famous "Blue-Sky" law and W. A. Sadd of Chattanooga on legislative conditions in the state. The Wednesday morning session was called to order at 9 o'clock and heard the report of J. N. Fisher of the executive council and president of the City National at Morristown. V. I. Witherspoon reported for the protective committee. Mr. Witherspoon is vice-president of the Union Trust Company at Nashville. The principal address at this session was "The Banker and his Relation to the Public Welfare" by B. F. Harris, president of the Illinois Bankers Association. A general discussion closed the speaking part of the program, and was devoted to the general subject of whether or not banks other than savings should pay interest on deposits. Following the usual committee reports the new officers were inaugurated.

Secretary S. B. Raskin of the Ohio Bankers Association announces that Group 6 will hold their annual meeting at Ashland on June 11th. Group 7 will meet at Bellaire on June 13th.

Editorial Comment

WHAT IS A BANK?

President William Livingstone of the American Bankers Association in his splendid address before the Topeka convention called attention to the many advantages of becoming members of the association, and urged them to increase their membership, which would inure largely to their own benefit. He told them that they were the fourth state in number of members, which was highly appreciated, but that there still were large numbers who were not members and whom the association would be glad to welcome as such. He spoke eloquently to the younger bankers at the close of his address. He called their attention to the fact that there is no royal road to success; that persistent hard work is what insured success; that the motto of their state, one of the best in the Union, they should always keep in mind, "Through difficulties to the stars."

Perhaps the most interesting part of President Livingstone's talk was his definition of a bank. He defined it as "the most important factor in any community. Without it, development is practically an impossibility. It is a strong argument of even the private banker that without his aid, the new and struggling town would simply remain 'four corners.' A bank, say of the early seventies, the individualistic period, might be likened to a cistern, in the public square, which gathers in the waters of the neighboring roofs, and pays them out again for the common need—generally sufficient, but often running dry.

"A better bank, say at the close of the century, when the co-operative clearing house idea had come to our aid, might be likened to a bountiful well, storing up the waters of the surrounding hills for the collective use, and rarely failing to fulfill its function.

"The best bank—the bank of say next year—the bank under the beneficent operation of a monetary reform bill, could be likened to the artesian well, driven deep into the underlying reservoirs fed from the mountains and valleys of an empire, which never fails to pour forth its life-giving stream.

"It is the agency by which the resources of the community are husbanded and used for the benefit of that community. It is likewise the agency by which the resources of the richer sections are conveyed to the community where they can use them to its advantage as well as with profit to the owner.

"It is the natural hub around which all industries must revolve, the source of lubrication, the vital power—not the crushing, destroying one that some people would have you believe."

It isn't likely that a better allegory of the really strong, serviceable bank will be given out this year. The illustrations are new, and the ideas of high standard.

The Chicago Banker

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

PREPARING A BANKING LAW

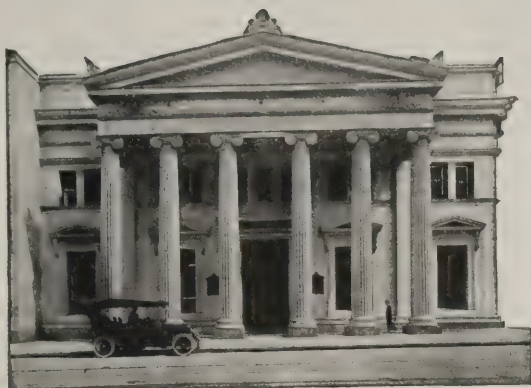
It has been customary in preparing a banking law to put the final draft off until almost the very last moment. Difficulty in reaching a final agreement by committees and by representatives of state associations may be said to be the chief contributing cause. This was the situation when California went about her preparation for a new statute, which in many respects is a model upon which other states might fashion their new banking legislation. Unfortunately, however, while the intentions were the very best, the phraseology in some respects has been too drastic for enforcement. There are provisions in the present law which are too restrictive, and which the Long Beach convention took steps to have corrected before the matter shall pass through any of the courts or be subjected to a decision of the present admirable superintendent of banking. The legislative committee of the California association has many distinguished members, including J. F. Sartori, James K. Lynch, I. W. Hellman, Jr., J. H. Henderson, and John S. Drum. This committee reported to the convention that under Section 33 of the banking act a stockholder of a borrowing corporation is, from his stockholder's liability, an obligor to the bank, and that therefore no stockholder of a borrowing corporation can act as a director of the bank. It was understood generally at Long Beach that the superintendent of banks intends to enforce this interpretation, wherever it becomes apparent that such stockholder's liability exists. Unless the matter is "called to his attention" probably it will rest until the next California legislature can amend the act. Under the banking act a director of a bank, who is a stockholder of a corporation, is subject to a jail sentence in case the managing officers of the corporation borrow from the bank in which he is a director, even though it be without his knowledge. If enforced, this provision practically will put every commercial state bank out of existence or force it to become a national bank. There is no desire to have a test case, for the phraseology of Section 33 seems to be capable of only one interpretation, and that is the one put upon it by the superintendent of banking. Superintendent Williams has indicated that it is his desire to co-operate with the committee, and to bring about a modification of several provisions in the act.

This California situation will serve as a reminder to committees engaged in the preparation of banking legislation in other states. All such drafts should be subjected to the closest scrutiny by competent bankers and bank attorneys before being placed upon the statute books.

WISCONSIN AN AMERICAN STATE

Political thinkers have been more pessimistic about the state than they have about the nation or even the city. There seemed to be no place for the American commonwealth. It was a kind of political vermiform appendix. Men hear the annual sessions of the legislature as they do the plague. They are biennial scenes of inefficiency, if not corruption. Some students have even suggested there was no place for the American state in our political system.

"Wisconsin, an Experiment in Democracy," by Frederic C. Howe, is a discovery of an American state that is justifying itself. Here he finds a commonwealth consciously building for efficiency and service, much as Denmark, Switzerland and Germany are being built for the service of the people. The foundations of this movement were laid by Senator La Follette in his eight years' war with privilege. Through the primary the people secured political freedom. Then they began to build. They adopted the second choice for nominees, the senatorial and presidential primary. Once politically free, the state began to build in an intelligent way. Its railway regulation laws have been the model of other states. Local franchise corporations have been controlled in a scientific manner. They no longer rule the state or the cities. There is no more corruption. A comprehensive program of labor legislation, fairly comparable to that which Germany has spent twenty-five years in developing, has been perfected. A legislative reference bureau is a bill-drafting agency. A state board of public works has supervision over all the resources, agencies and activities of the state. It is a permanent survey department to make the state and cities more efficient. The university is closely linked with the state house. Thirty-five professors serve in various state departments. They bring to politics accurate scientific methods of thinking. They import into Wisconsin the best that could be found in Denmark, in Germany. They study legislation preparatory to its introduction. Wisconsin is honest, efficient and dedicated to a program of service as is no other state in The American Union. It is a model to which men are going not only from America but from other countries as well. Here is an example which negatives the despair of those who have felt there was no place for the American state. Here a commonwealth is being built by men with definite ideals of what a state can be made. And these achievements



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

is justly proud of the record it has made in forty years of service to the public. A steady but conservative growth during this time has placed it in the first position in its territory with a capital and surplus of \$5,000,000.00. In addition to strengthening its own resources it has paid to its stockholders

Five Million Dollars in Dividends

which is an average of over eight per cent annually since organization.

ACCOUNTS OF BANKS IN ITS TERRITORY ARE DESIRED

of Wisconsin are based on democracy, on political freedom, first secured through the reforms inaugurated when Senator La Follette was governor.

PROPOSED AMENDMENT TO THE CONSTITUTION

If the proposition to amend the constitution by extending the presidential term to six years and making a second term illegal were to be adopted it would obviate in the future such a disgraceful campaign of villification as the public now is witnessing in the ranks of the grand old party. The contest for the republican nomination reminds one somewhat of a campaign which might be carried on between contestants for some minor position such as a precinct committeeman instead of one being waged for the highest office in the land. One extenuating circumstance about the situation, however, is the fact that practically all of the uncomplimentary remarks which have been passed have come from Mr. Roosevelt, President Taft being obliged occasionally in vindication of his self-respect to expose to the public the real truth of the matter. When Mr. Roosevelt recently was asked by one of his auditors at Lima, Ohio, to express his views concerning a third term, he was so disturbed at the suggestion that he replied: "You can't ask me any question, you foolish creature, that I can't answer." He then quoted a letter written by the father of President Taft in which were expressed his views concerning a third term for General Grant. The Colonel in his rage forgot that he once said: "The wise custom which limits the president to two terms regards the substance and not the form, and under no circumstances will I be a candidate for or accept another nomination." Mr. Roosevelt certainly is an ingenious man, for he interprets this plain language to mean "never again to seek a third successive term," notwithstanding the fact that he said "under no circumstances." He refers to his Lima friend as "foolish." Disregarding the injustice which he has done to Mr. Taft—his own choice for the presidency—the Colonel certainly has exhibited a lack of discretion and judgment in coming out at this particular time, for had he been content to wait four years more and to have given his old friend the square deal he always is talking about, no doubt he would

have had easy sailing in 1916. Mr. Roosevelt has stated that he is able to answer any question which may be propounded. No doubt he can, but he does not always deem it expedient to do so. The people still are waiting for an intelligent answer to the third-term question, and are curious to know the sources from which the fabulous sums of money already expended in his behalf have been derived. They also would like to be apprised of how much the beef trust, the sugar trust, the steel trust and other great combinations contributed to his campaign fund in 1904. One cannot help thinking that the ex-president must have some ulterior motive in mind in again seeking the presidency. It is difficult to believe that any sane man, in the face of oft-repeated declarations to the contrary, would endeavor to secure a renomination under similar circumstances without being prompted by some consideration of which the people as a whole know nothing. It might be interesting to know whether or not such a motive really exists, or whether Mr. Roosevelt conscientiously believes himself to be such a great man that the country is unable to get along without him, and that therefore just to please the people he is sacrificing his own personal convenience and is making one of the most strenuous campaigns ever waged for an office—high or low. Will he, if elected this fall, again be a candidate in 1916? It only would be "two consecutive terms," as he could maintain, taken in two doses.

CHICAGO BANKERS RETURN FROM JOPLIN AND TOPEKA

Bankers from Chicago who attended the conventions of the Missouri and Kansas bankers are unanimous in the opinion that both conventions were a great success. J. Fletcher Farrell, vice-president of the Fort Dearborn, states that the Kansas convention was particularly well attended, being the largest meeting held in the history of the state organization. Both meetings were unqualified successes.

R. F. Newhall, assistant cashier of the First National, stated: "Although the Missouri convention was very well attended, it is not believed that the attendance was quite as large as in former years, the registration being a little less. The sessions were very interesting. Chicago, St. Louis and other banks were well represented by the visitors present. The Kansas convention was the largest in the history of the organization, something more than 1,300 being present. There was a large attendance of bankers from Chicago, New York, Kansas City and St. Joe. William J. Burns, head of the Burns National Detective Agency, spoke at both conventions and excited a great deal of interest by his talks."

Wilber Hattery, assistant cashier of the Continental and Commercial National, says that chiefly local matters were taken up at the conventions. Mr. Hattery is enthusiastic in his description of the outlook for business and good crops. He states that the country is looking fine. He says that the banks are pretty well loaned up.

W. G. Edens, assistant secretary of the Central Trust Company, returned home on Saturday in company with President B. F. Harris of the Illinois association. Both greatly enjoyed the conventions. Mr. Edens stated both the Missouri and Kansas conventions were well attended. "The program of each was well prepared. The delegates both in Kansas and Missouri were substantial, prosperous-looking bankers, and seemed to derive much pleasure from the addresses which were delivered by the gentlemen appearing on the programs. Detective Burns, who addressed the delegates at both conventions, made a very favorable impression, and President Livingstone of the American Bankers Association acquitted himself most creditably."

BOND SALE, JUNE 20th

A 22,000 acre drainage district has been organized in Jackson and Woodruff counties, Ark., and \$70,000 in bonds will be sold June 20th. Morgan Engineering Company, Memphis, Tenn., will furnish particulars.

A. E. Fitkin & Co., New York, have removed their Chicago office from 206 South La Salle, to 1308 Borland block, at 105 La Salle.



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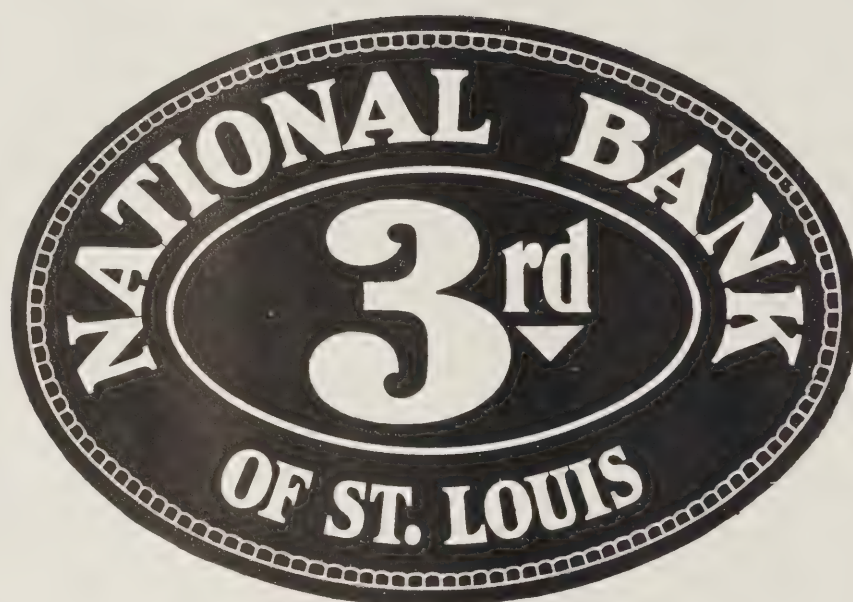
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ERNEST M. HUBBARD	Cashier
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C. R. LAWS	Assistant Cashier

Capital, \$2,000,000

Surplus, \$2,000,000

Deposits, \$38,000,000



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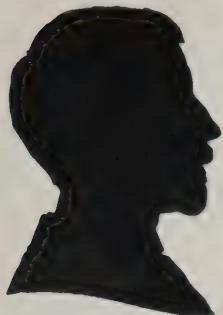
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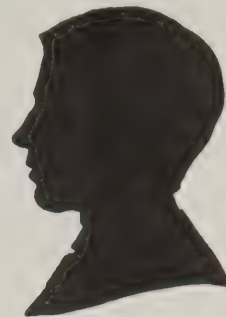
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President J. M. Barker on Arkansas Banking Conditions

Both as your president, and as a fellow-worker, it gives me pleasure to greet you. While the past year has brought to some of us its perplexing problems, it has also brought its pleasures; and it is now with cheerful hearts that we meet together to reflect upon the work of the past year, and to discuss methods of procedure for the future. It is not necessary for me to say that I wish for the association at this time a most pleasant and profitable convention, in this our beautiful and hospitable capital city. I trust that during this the first year of our majority as the Arkansas Bankers Association we have proved ourselves to be good business men, alive not simply to our own personal interests, but to those of our state and nation.

There was a time when many of our people did not understand the nature and purpose of the banking business, but we are glad to note that the time has come when our business is better understood, and more and more appreciated. However, the relation of a bank and banker to the people in general can not be too well understood, since the better this understanding, the better will be the condition of the people and of the banking business also. Every man who contributes to this end deserves to be regarded as a patriotic citizen. For this reason we cannot be too courteous in our dealings with our customers. While the banking business is known to be one of the greatest of modern conveniences, yet there is room for improvement along some lines.

The past year has been in the main a prosperous one, our farms and fields have yielded abundantly, our industrial establishments have been well occupied. There has been a ready market for all of our products at profitable figures.

It is true that there has been some slowing down in the general business of the country, but it must not be forgotten that such "breathing spell" periods are to be expected and have their beneficial effects. If in the advocacy of equitable legislation the members of this association could be depended upon for united action, it would mean that included in that support would be their officers, directors and many of the stockholders and employees, and you can readily see that through such support they would be a power that would be bound to succeed in accomplishing any reasonable thing which they set out to attain.

Your president is strongly in favor of bank supervision in our state, and believes it to be the duty of this association to do what it can to bring it about.

Our immediate and serious attention is demanded by the matter of bills of lading. Perhaps not every man who does an unsound busi-

Puts in a good word for his state at the Little Rock convention. Refers to rise in price of lands and improved banking conditions. Favors bank supervision for all classes of banking

ness along this line is intentionally dishonest; but in this get-rich-quick age not only does the public need protection from this kind of business, but a man sometimes needs protection from himself. It is therefore incumbent upon us as financiers of the state and nation to do our utmost to have enacted suitable laws controlling this matter.

The postal savings bank is attracting considerable attention in financial circles; but it is my opinion that our common banking interests will, to say the least, not be injured by this matter. Furthermore, it seems probable that a friendly attitude on our part toward this matter might further our own interests.

Your president recommends that, as far as practicable, we lend a hand toward the reclamation of the public lands of our state, the building of better roads, the further development of our agricultural and other interests, and especially the education of our people along practical business lines. We are urged



J. M. BARKER
Atkins, Arkansas
President Arkansas Bankers Association

by the American Bankers Association "to appoint a standing committee on agricultural development and education, and see to it that they attend a conference to be held in Minneapolis and St. Paul the second week in August."

A number of other things might well be mentioned before bringing this paper to a close, but I will not take your time longer than to say a word for Arkansas. According to figures (based on the report of the census bureau) sent out by Clarence J. Owens, commissioner of agriculture of the Southern Commercial Congress, the farm lands in the South have more than doubled in value in the last ten years. "According to these figures the average value of land in Arkansas in 1900 was \$6.32 an acre, and in 1910 it was \$14.11." Our state is attracting increasing attention abroad. She is naturally one of the greatest states in our great nation. Let us see to it that we spare no effort to place her in the very front rank where she rightfully belongs.

I see among us a number of prominent bankers from other states. I bid you a hearty welcome; the latch-string of this body hangs on the outside, and we bid you to come in, be our guests, sup with us, and share in the proceedings to your hearts' content. I wish to thank each and every banker who has been instrumental in helping to make the association work a success during the past year. You have been faithful workers, and I have had the hearty co-operation of all our members. I regret, my brother bankers, that your choice fell not upon a more worthy person to fill this honorable position, yet I trust I have done nothing to incur your unfavorable comment. I assure you my heart is full of sincere thanks for the honor you have done me.

GROUP 2, INDIANA, AT GARY

Arrangements are being made by the bankers at Gary, Indiana, to entertain the members of Group 2 on June 13th. Headquarters and the sessions of the group will be at the Commercial Club. W. C. Belman of Hammond is president. Richard Miller, a soil conservation promoter, will address the group on the subject of better farming. Prof. Skinner of Purdue University will speak on the same subject. A sight-seeing trip will be tendered the delegates by the clearing house association.

ATTRACTIVE OFFERING OF BONDS

Harris Trust and Savings Bank and Lee, Higginson & Co. are offering at 103¼ and interest \$7,000,000 of thirty-year 4½ per cent water works bonds of the city of Omaha, Neb.

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JAS. F. MEADE, Assistant Cashier

Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

Local bankers have been attending so many gatherings in the surrounding country during the past week or ten days that they have returned to their desks for a pre-vacation interim filled with optimism. Everywhere they have gone they have been regaled with stories of abounding prosperity and the stories have been verified by ocular demonstration. The general sentiment is thus expressed by Wilson S. Webb of the Missouri Savings Bank, a prominent member of the Kansas Clearing House Association and a Missouri banker all his life.

"There are always a few croakers wherever you go," he remarked the other day. "But the truth is that there has never been a time in the history of the state and the whole Southwest when conditions were more encouraging than they are at this minute. It is really surprising how little the presidential campaign has disturbed business. Probably it has disturbed it more than we realize but there is so much business being done that the effect is only normal, and hardly even that. If times were really hard, we might imagine that the campaign was upsetting things. But as it is, the business world does not appear to know that the politicians are belaboring each other all about the 'ring.'"

"I have been all over the state and into other portions of the Southwest and I know of my own personal knowledge that the crop prospects were never brighter. Missouri, Kansas, Texas, Oklahoma and Nebraska business men unite in declaring that the outlook is for the most prosperous crop year those states have had for years. Wheat, cotton and corn are the great staples which the bankers of the Southwest watch most closely and there will be immense yields in these three pivotal crops.

"In the great alfalfa growing states the first crop has already been harvested and it is a 'bumper.' Three or four more crops will be harvested before the snow flies. There will be a curtailment of cotton production but prices will be higher, the production being purposely lessened in order to affect prices. Secretary Coburn of Kansas figures 93,000,000 bushels of wheat and Oklahoma is figuring on 25,000,000. These states and Nebraska will come along with huge yields of corn and other grains, besides live stock that is bringing higher and higher prices. The bankers of this part of the country have every reason for optimism."

Kansas State Bankers at Topeka

The feature of the Kansas Bankers Association convention at Topeka, May 23d and 24th, was an admirable address delivered by B. F. Harris of Champaign, Ill., president of the Illinois Bankers Association. Mr. Harris spoke on the topic: "The Banker and his Relation

to the Public Welfare." His chief suggestion to the Sunflower financiers was that they should extend, in every possible manner consistent with sound banking, assistance to the farmers of their respective communities, contending that upon the prosperity of the farmer depended that of not only the banker but of all other business interests. He urged the farmers to support movements designed to instruct farmers in methods of increasing the productivity of the soil and did not indulge in the usual platitudes and encomiums upon the farmers themselves.

"The wheat crop of the whole United States is raised on 50,000,000 acres," said Mr. Harris, "and the average yield is only 13.7 bushels per acre, while in Europe on land tilled for a thousand years the yield ranges from 25 to 40 bushels. We have been capitalizing our soil fertility and not adding to its assets. One bushel per acre increase on all improved agricultural land in the United States would require a train of 12,500 cars to transport."

W. H. Miller of Ottawa, Ill., in addition to being a first class banker is a thirty-second degree good road advocate and he delivered a stirring address to the bankers on his favorite topic. At first glance one might think it was a rather far cry from bankers to country roads, but Mr. Miller easily showed how it was to the immense accruing benefit of the bankers to

encourage the farmers to co-operate in good road building, thus benefiting the farmers primarily and therefore the bankers and all other classes of business.

Detective Burns was an honored guest at the convention and delivered the address which he has been giving at various bankers' conventions throughout the country. Among the leading bankers of the state in attendance were the following: Judge C. E. Lobdell, E. R. Mosers, Frank A. Moses and C. R. Aldrich of Great Bend; J. T. Irish of Sterling, J. E. Wagner of Larned, J. W. Berryman and W. C. Smith of Ashland and L. W. Fullerton of Medicine Lodge.

The following officers were elected: President, M. H. Malott of Abilene; vice-president, Willis J. Bailey of Atchison; secretary, W. W. Bowman of Topeka; treasurer, A. D. Jellison of Wilson. The following were elected vice-presidents of the various groups: First, W. J. Burr of Blue Rapids; Second, L. J. Buck of Emporia; Third, H. D. Tucker of Eureka; Fourth, M. J. Coolbaugh of Stockton; Fifth, Willis Westbrook of Peabody; Sixth, F. W. Denton of Haven.

Attend St. Louis Bankers Club

A party of leading Kansas City bankers went to St. Louis last week at the invitation of the St. Louis Bankers Club, where on Saturday, May 25th, they participated in a unique entertainment given just outside St. Louis in honor of a number of distinguished bankers from Boston, Philadelphia, and New York. They were: W. T. Kemper, Commerce Trust Company; E. F. Swinney, First National; George P. Hovey, Inter-State National; J. W. Perry, National Bank of Commerce; Wm. Huttig, National Bank of the Republic; J. T. M. Johnston, National Reserve; J. F. Downing, New England National; J. R. Dominick, Traders National; F. P. Neal, Southwest National; C. S. Jobs, Security National.

Nebraska Commercial Clubs Association

The eighth annual meeting of the Nebraska Association of Commercial Clubs was held at Hastings recently and the following officers were elected for the ensuing year: President, V. E. Wilson, Stromsberg; secretary-treasurer, R. D. McFadden, Hastings; vice-presidents, E. H. Westcott of Plattsmouth, Penn. P. Fodrea of Omaha, James Henderson of Central City, Ed. Lemkuhl of Wahoo, Max Uhlig of Holdredge, and Willard F. Dailey of Kearney.

Crooks at Oklahoma Convention

There are certain disadvantages connected with the eminence to which successful bankers attain, as was shown by the fact that a gang (Continued on page 24)

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Early Banking History of Kansas by G. W. Martin

PART II

On January 29, 1857, the territorial legislature passed an act providing that every company or association of persons formed for banking purposes within this territory, and without an act of legislature authorizing the name, should be deemed unlawful. The first bank authorized by legislative act was that of the Kansas Valley Bank of Leavenworth, capital stock \$800,000, with five branches, at Atchison, Leocompton, Doniphan, Fort Scott and Shawnee, Johnson county. Capital stock of branches, \$300,000 each. The act made the branches independent of the Leavenworth bank. For the Leavenworth bank, the following men were named to take subscription to capital stock: Wm. F. Russell, A. J. Isaacs, Wm. H. Rogers, Wm. F. Dyer, F. J. Marshall and James M. Lyle. The Leavenworth bank never was formed and the Atchison branch was the first to start out under act of legislature.

Isett, Brewster & Company of Des Moines, 1857, conducted the first legitimate banking business at Leavenworth in a building erected for that purpose only, still standing in 1906. John Kerr was the company and manager. In three years Isett & Brewster sold out their interest to Lyman Scott, Sr., and the bank became Scott, Kerr & Company. Mr. Kerr sold out to the Scotts (1865-6) and moved to Texas, where he continued in banking business. Scott & Company continued until 1874, when the bank was absorbed by the First National Bank. The Scotts held the controlling interest in these banks for many years. They were Lyman, Sr., Lyman, Jr., and Lucian, who was president or cashier for over twenty-five years.

The First National Bank of Leavenworth, organized in 1863, or 1864, was also the first national bank in the state. Its history is peculiar in the personnel of its officers and directorate, and their connection with affairs of state. Thomas Carney, governor, 1863-4, was the first president and one of the organizers and directors. At a most critical time in the state's history, he advanced his private means and saved the credit of the state. He gave \$1,000 for relief of the Quantrill raid victims, and made the first subscription of \$5,000 to the state university. Politics, in the end got him. Robert Crozier, cashier in 1871, was district attorney, 1861, chief justice, 1864, United States senator, 1873-4, and judge of the first judicial district, 1877-93. It was May 24, 1871, while he was cashier of the bank, that he, on behalf of the bankers of Leavenworth, requested Governor Harvey to issue a proclamation declaring May 30th a day for public fast and thanksgiving, thus calling out the first proclamation for the observance of Decoration Day in this state. This letter is filed in the archives department of the State Historical Society, with a copy of the proclamation. Edmund N. Morrill, who succeeded Lucian Scott as president of the First National, was congressman from 1883-91, and governor, 1895-7, a member of the Free-State Legislature of 1858, major in the Civil

Prepared for the Kansas Bankers Association by the secretary of the state Historical Society. Will be printed in the Chicago Banker in three parts

War, state senator two terms, organizer of the first bank in Hiawatha, 1871 (Barnett, Morrill & Company), and was also a director of the Interstate National Bank, Kansas City, Missouri. Alexander Caldwell succeeded Governor Morrill as president in 1897. He had been a banker in Pennsylvania, came to Leavenworth in 1861, where he organized the firm of A. Caldwell & Company, United States transportation contractors. This firm did an immense business freighting government supplies to the frontier forts, requiring the use of 5,000 wagons, 50,000 animals and the employment of from 5,000 to 10,000 men. Mr. Caldwell was president or vice-president of two railroads, a builder of railroads and bridges, head of the Kansas Manufacturing Company and of the Idaho and Oregon Improvement Company for location of towns, canals and irrigating ditches.

The First National Bank absorbed the bank of Insley, Shire & Company. This was a private bank, organized in 1872 by M. H. Insley, Daniel Shire and E. F. Kellogg. In 1875 Mr. Kellogg retired and W. H. Carson became cashier. After the death of Mr. Insley the bank merged into the First National. The First National absorbed the German Bank also.

It is interesting to note that one of the early business men of Leavenworth, John F. Rich-

ards, an officer and stockholder in the German Bank, was quoted a few weeks ago in the Kansas City papers as the owner of \$525,000 in stock in a Kansas City bank, and that his stock is to-day worth six times its face value, and twenty-four times its original cost twenty-five years ago. Mr. Richards established in Leavenworth the largest wholesale hardware house west of St. Louis in 1856 and at a later date the great wholesale house in Kansas City of Richards, Conover & Company.

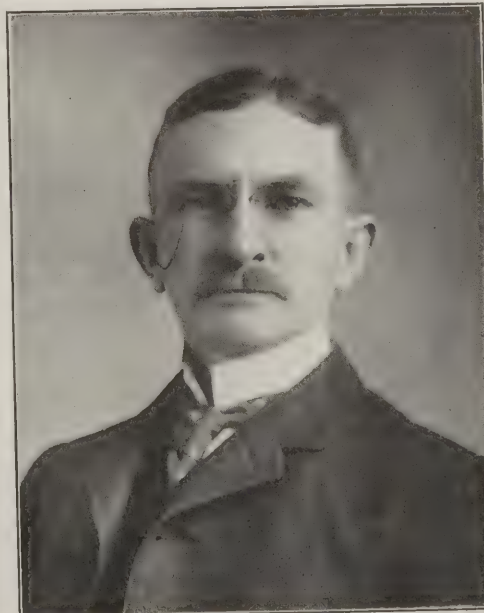
The bank of Clark, Gruber & Company maintained a branch in Denver, and at one time M. E. Clark, who was in charge from 1860 to 1863, established a private mint for coining gold, which was the nucleus of the present mint in that city.

There is much of interesting detail that must be passed over. Burke's History of Leavenworth made the following summing up to the year 1880: "As a money center and a base of supplies for the West and Southwest, the financial importance of Leavenworth during the war and for years after excelled that of most cities five times its population." Between the close of the Civil War and the panic of 1873 there were eight banks, representing a total capital of about \$800,000. In 1880 only three banks had survived that panic, the drouth and failure of crops and the grasshopper scourge. They were the First National, the German Bank, and Insley, Shire & Company (now all absorbed in the First National), and the total capital was \$350,000.

The banking interests at Atchison had a commencement under equally interesting circumstances as had those of Leavenworth, because of the character of those engaged, and the great enterprises associated with banking. The Atchison Branch of the Kansas Valley Bank was the first one in the state to form under legislative act, being authorized February 19, 1857, with a capital stock of \$300,000, securities \$100,000. In the act, John H. Stringfellow, Joseph Plean and Samuel Dickson were named to open subscription books. An organization was effected early in the spring of 1858 and the capital stock fixed at \$52,000. The board of directors included S. C. Pomeroy, president; W. H. Russell, L. R. Smoot, W. B. Waddell, F. G. Adams, S. Dickson and W. E. Gaylord. In denial of the statement made by rival towns, Sumner and Doniphan, that the bank was about to suspend, the directors published a statement of its condition soon after starting, showing that the assets were \$36,638, liabilities \$20,118. The archives department of the historical society possesses three documents dated July 14th and August 3, 1857, concerning the appointment of L. S. Boling of Leocompton to examine and report on the affairs of the Atchison branch of the Kansas Valley Bank, the first proceeding of the kind in Kansas.

S. C. Pomeroy resigned as president before the year 1858 was ended. He was United States senator from 1861 to 1873 and worked for and secured the passage of every land grant made to a Kansas railroad during his

(Continued on page 25)



ROBERT E. WAIT
Little Rock, Arkansas
Secretary Arkansas Bankers Association

TEN YEARS' PROGRESS

In the Surplus and Deposits of the

Security National Bank Of Minneapolis

Surplus and Profits

1902, \$ 160,000

1912, 2,100,000

Deposits

1902, \$8,000,000

1912, 20,000,000

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

"Everything that we saw or heard relative to the crops is favorable," says P. G. Leeman, assistant cashier of the Minneapolis First National, returning from the meetings of the first and third district bankers. "There is no question," he said, "that if there is reasonably good weather there will be bountiful harvests this fall."

Overhauling of the banking room in the Lumber Exchange, formerly the home of the Minnesota National, has begun in expectation of leasing the place to a proposed new national bank. The plan is made for extending the bank room out to the street. It is now in the center of the building, with no outside exit except through the office building lobby.

Group 1 Elects Officers

First district bankers at Rochester, Minn., elected officers as follows: President, A. E. Johnson, Blooming Prairie; vice-president, R. D. Sprague, Caledonia; secretary, E. F. Cook, Rochester; executive committee, Arthur Kennedy, Plainview, and Lyle Hamlin, Spring Valley.

Group 2 Holds Meeting at Worthington

One hundred and thirty bankers attended the tenth annual meeting of the second group of Minnesota bankers at Worthington. They elected as officers: President, W. A. Streator, Winnebago; vice-president, E. C. Hauge, New Ulm; secretary, J. B. Ludlow, Rushmore; executive committee, Judge Lorin Gray, Mankato, and M. S. Dorsett, Madelia. W. D. Willard, Mankato, chairman of the committee on registered commercial paper, reported time was not ripe for putting the move into effect. W. A. Streator showed the great gain in district development and the need for more. T. G. Bonnellie, Tracy, president of the Southern Minnesota Better Development League, told what the league's needs and hopes to accomplish. Professor H. C. Solberg, Brookings College, discussed "Practical Road Construction." W. D. Willard spoke on "Present Status of

Monetary Reform Measures." Colonel J. A. Towne conducted the legal question box. The resolutions endorsed the Southern Minnesota Development League and the state-wide roads movement. Other endorsements were the "Reserve Association of America," "Uniform Negotiable Instrument" law, registration of commercial paper.

Northwestern Trust, St. Paul

The Northwestern Trust Company, St. Paul, is constructing a steel and concrete ceiling to its big vault, to prevent anything heavy dropping through. The change was suggested by D. C. Shepard after the Equitable fire in New York, when valuable records were lost in that manner. Steel I-beams are being placed twenty inches apart and the interstices filled with concrete, then four inches of concrete is placed on top.

Outlook Encouraging

The agricultural outlook as a whole is fine in Minneapolis territory and should be encouraging to business men, says C. L. Grandin, vice-president of the Scandinavian-American National Bank. He says southern Minnesota is blooming like a garden and has the finest crop prospect for years. Indications from the Grandin farm in North Dakota is that the state will have a big crop of all grains.

Banking Notes

C. T. Jaffray, vice-president of the First National, Minneapolis, and Mrs. Jaffray leave next week for New Haven to see their son graduate from Yale, and will sail June 22d to be abroad until fall.

The Merchants of Winona, Minn., will erect a one-story building at a cost of \$60,000, 60 by 60 feet, of brick, stone and terra cotta. It will have ornamental iron work and hardwood finish and tile floors. The architects are of Minneapolis.

George H. Orr, president of the Manistique

Bank, Mich., and head of several industries, is dead at 70 years. He was an officer in the Chicago Lumber Company, White Marble Lime Company, Weston Manufacturing Company, Manistique Light and Power Company and Manistique Telephone Company. He came West from Addison, N. Y., in 1873.

L. C. Symones, cashier of the Twin City Bank, Merriam Park, addressed Macalester College, St. Paul, last week, on present-day methods of banking, speaking of problems from the bankers' viewpoint and that of the depositors.

Bonds of Minneapolis amounting to \$365,586 were sold to Minneapolis institutions. The Minnesota Loan and Trust Company took \$200,000 for \$193,858 and \$155,000 more at par. C. B. Eenkema bought \$10,588 special 4½ bonds at \$10 premium. The Wells & Dickey Company protested the sale of hospital bonds and it is to be settled by the city council.

The Farmers and Merchants State of Donnelly, Minn., has a large representation of citizens among its stockholders. The capital is authorized at \$15,000. Incorporators are: F. Ziemer, C. B. Kloos, C. Margaret Kloos, of Herman; F. J. McLaughlin, J. C. Phifer, J. C. Manning, J. G. Whittemore, C. R. Sather, J. M. Waggoner, William Kloos, L. G. Kloos, T. P. McLaughlin, J. E. Wroot, J. J. Hills, Oscar Werk, W. T. Werk, C. H. Werk, T. F. McCanney, E. A. Werk, Olaf Graff, S. T. Erdahl, M. L. Strand, C. C. Erstad, Anton Erickson, A. O. Wetzler, C. L. Perkins, Ole Erickson, of Donnelly.

The First State of New Brighton, Minn., will have \$10,000 capital. Incorporators are C. W. Dixon, North St. Paul; J. E. Treat, A. H. Hudaba, F. M. Searles and J. W. Jandell, New Brighton.

Negotiations are pending for the reorganization of the Bank of Commerce of Winnebago, Minn., and Minneapolis men are showing in-

WILLIAM J. BURNS, President. Formerly U. S. Secret Service. Late San Francisco, Cal., Graft Prosecution

RAYMOND J. BURNS, Secretary and Treasurer

The William J. Burns National Detective Agency, Inc.

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**Auditing and Systematizing
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C. W. KNISELY, C. P. A.

President—Manager

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Leading Bond Houses dealing in Gas, Electric and Railway Securities

terest in the movement. Harry Parker, cashier, is still unfound.

The Detroit Trust Company bid of \$101.83 for \$150,000 Gogebic county road bonds, bearing 4½ per cent, is reported from Ironwood, Mich., as accepted.

C. S. Howard, president of the State Bank at Edgerton, Minn., died in the street in Minneapolis last week. He was walking with Cashier F. E. Douty.

Peter Gallant, on plea of guilty, has been sentenced to an indeterminate term at the Stillwater prison for attempting to rob the State Bank at Shevlin, Minn., near Bemidji.

Facts damning to the hopeful bank clerk are brought out in the records of the North Dakota normal school. The facts are to advertise the school. It says that teachers are the best paid employees in the state and that they get more than bank clerks therefor. Stenographers, bookkeepers and other sedentary employees are in the same underpaid class, as compared with salaries for teachers.

SPEAKERS AT MICHIGAN CONVENTION

At the annual convention of the Michigan Bankers Association, to be held June 11th to 13th at Kalamazoo, addresses will be made by the following: President J. L. Snyder, Agricultural College, Lansing, Mich.; President D. B. Waldo, Normal College, Kalamazoo; Geo. E. Allen, New York; L. L. Wright, Superintendent Public Instruction for Michigan; Prof. Edward D. Jones, Ann Arbor; Hon. E. H. Doyle, commissioner of banking, and Prof. J. Laurence Laughlin, Chicago.

LITTLE ROCK CONVENTION

Little Rock, Ark., May 29.—The twenty-second annual convention of the Arkansas Bankers Association has just concluded a two-days session in this city. President J. N. Barker delivered his annual address after calling the convention to order at the Hotel Marion. There was a large registration of delegates and many ladies and guests of the association were present. The railroads centering at Little Rock granted a round-trip for a fare and one-third, which helped to increase the attendance beyond the usual. George W. Rogers, member of the executive council of the American Bankers Association, was chairman of the program committee, and chief among the speakers present was Sol. Wexler, vice-president of the Whitney-Central National Bank of New Orleans, who talked on "The Bill of Lading as Bankable Security"; and J. Howard Avery of the City National at Dallas, who spoke on the subject of "Is the Trouble with our Currency or with our Credits?" Judge E. L. Boyce of Newport discussed the subject of married women's rights in the matter of making contracts and John F. Sims of Texarkana advocated the amendment of the state depository law. Hon. Clay E. Sloan, state commissioner of agriculture, told the bankers how they can help the farmers. The visitors were welcomed on Tuesday morning by John W. Blackwood of Little Rock and the response was made by H. D. Palmer of Star City.

The annual banquet of the association was the main feature of the entertainment provided by the Little Rock Clearing House Association. This was held on Tuesday evening at 8 o'clock in the banquet hall of the Marion.

Especial preparations were made for the entertainment of the lady guests. Earlier in the afternoon the ladies were tendered an automobile ride to the country club, and on the second afternoon they were taken for a drive through the city of Little Rock. On Wednesday evening a smoker was given at the Hotel Marion, at which there were informal addresses upon banking and other subjects conducive to a general good time.

INDIANA GROUP MEETINGS

Group 3, Indiana, will hold its meeting on Friday, June 14th, on the farm of A. G. Lupton, near Hartford City, Ind. Mr. Lupton formerly was president of the Indiana Bankers Association, and conducts successfully large farming operations, including the care of several hundred head of Shetland ponies. His exhibits at the Indiana county fairs always secure blue ribbons. It is understood that a good program will be furnished. W. G. Edens of Chicago is billed to give an address touching upon agricultural subjects. Group 5 met at Rockville on May 28th. The subject of co-operation between the banker and the farmer was treated by G. T. Christy of Purdue University. The subject of good roads also was discussed. Group 8 will meet at Princeton on June 7th.

Twenty-sixth in size, St. Paul is fourth in the list of postal bank deposits, with net deposits of \$426,092.90 on hand and a gross deposit since establishment of \$546,941. Minneapolis is eighteenth in population and eighteenth in the list, said to be due to the savings bank habit. The deposit March 31st was \$94,880.

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

**Assets Over
\$16,000,000**

The Seattle National Bank

OF SEATTLE, WASHINGTON

SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

R. V. ANKENY, Cashier
J. FURTH, Chairman Board of Directors

Direct Connections
with Valdez, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.

Spokane

W. L. Clark of the Spokane and Eastern Trust Company and secretary of Northeast Group No. 2 reports that one hundred bankers of Spokane and nearby towns will attend the annual convention of the Washington State Bankers Association at Tacoma and Olympia June 27th to 29th, the party leaving Spokane the night of June 26th in special cars. Local banks also will be represented at the annual convention of the Idaho State Association at Coeur d'Alene, 134 miles east of Spokane, June 17th, 18th and 19th. All the Spokane banks will send delegations and will entertain the southern Idaho bankers as they pass through Spokane on the way to the convention.

Union Securities Company of Spokane has acquired the controlling interest in the Colfax State Bank at Colfax, Wash. The company now controls 34 banks in the Inland Empire. D. W. Twohy, president of the Union Securities Company and the Old National Bank of Spokane, says there will be no changes in the management. J. A. Perkins, who organized the bank, retains 45 shares of the stock.

J. P. M. Richards, president of the Spokane and Eastern Trust Company, who was painfully injured by his riding horse falling upon him, recently, is much improved and may be out in a few weeks. H. M. Richards, brother of the injured man, is also confined to his home by serious illness.

Complimentary to bankers of Seattle who are coming to Spokane to play baseball, a dancing party is being arranged by the local bankers. The affair will be given the night of June 22d, in the Hall of the Doges. Invitations will be issued to the officers and employees of the local banks.

Spokane Clearing House Association, of which Samuel Galland of the Northwest Loan and Trust Company is president, will entertain its members and their families at a picnic late in June or early in July. The features will be baseball, races and aquatic and field sports.

Sixty-five postal savings depositories in the state of Washington report total deposits of \$640,000. There are 6,000 depositors. Since the opening of postal savings banks in Washington 7,800 accounts have been opened and more than 18,000 deposits made, or an average of over two deposits to each depositor, and 5,500 withdrawals, or an average of less than one to each depositor. Compared with other states, Washington ranks ninth in number of accounts remaining open January 31st, and sixth in total amount remaining on deposit.

Four banks at Colfax, Wash., report total deposits of \$1,778,666, with \$715,703 in cash on hand and loans and discounts amounting to \$1,712,484. Farmers State Bank heads the list in deposits, with \$712,959, of which \$350,000 is in Whitman county funds. The bank is also the depository of the city government.

WASHINGTON AT TACOMA AND OLYMPIA

Invitations for the Tacoma-Olympia convention of the Washington bankers, June 27-8-9, have been sent out by Secretary P. C. Kauffman. Charles A. McLean of Spokane is the president.

NEW NATIONAL BANK IN PASADENA, CALIFORNIA

A new financial institution, the Security National Bank, capital \$100,000, undivided profits \$10,000, has recently been opened for business in Pasadena Cal.

This very attractive city has continued to show a marked increase in population, having now about 35,000 inhabitants, and during the past year the local banking institutions show an increase of about \$2,000,000 in deposits, showing a total under the call of April 18th of \$13,000,000.

There is every reason for this new bank to have a successful career, as the board is composed of substantial business men, and the officers have all had banking experience of from six to twenty years.

The officers and directors are as follows: Ernest H. May, president; Harrison I. Drummond, vice-president; N. E. Macbeth, cashier; Ernest C. May, assistant cashier; E. B. Blinn, James N. Burnes, Elmer I. Moody, Henry Sherry and Peter Orban.

The bank will transact a regular commercial banking business and in addition will operate a large safe deposit and storage department for the benefit of its patrons.

The Kingston Exchange Bank of Kingston, Mo., opened for business recently. The new institution has \$10,000 capital and its officers are: President, B. F. Brown; vice-president, W. C. Paul; cashier, Q. T. Jones.

Seattle

George Gund, who has been connected with the Seattle National for the past three years, becomes vice-president on June 1st of Henry Broderick, Inc., one of the largest realty, rentals, mortgage loans, bonds and insurance companies in the Pacific Northwest.

Mr. Gund graduated from Harvard University in 1909, where his journalistic work and his efforts in organizing the Western Club which each year aids hundreds of western men upon their entrance to the university, brought him much merited prominence. He has earned his way into the wider field of Seattle business circles by a magnetic personality and marked executive ability. Mr. Gund is secretary and treasurer of the Seattle Harvard Club and is a member of the University and Seattle Golf and Country clubs.

CENTRAL WEST LETTER

(Continued from page 20)

of high class crooks descended upon the Oklahoma bankers convention at Tulsa last week and relieved several distinguished visitors of their wallets. The local police with the assistance of Manager Tobie of the K. C. branch of the Burns agency arrested three of the light-fingered gentry, one of whom is alleged to be the notorious "Red" Hines, one of the most celebrated pickpockets in the country. Just why they singled out the Oklahoma financiers as "easy" is not quite clear and the victims are being quite generally "jollied" as a consequence.

Join Anti-Horse Thief Association

The Kansas bankers have affiliated themselves with the Anti-Horse Thief Association in nearly every county in the state and are co-operating with the enemies of horse thieves in every way possible. Invitations were sent to all the members of the A. H. T. A. to attend the recent state convention at Topeka and hear the address of William J. Burns.

Missouri Bank Deposits

Considerable comment was made recently when the people of France subscribed \$3,280,000 to an issue of French bonds. It was regarded as something phenomenal that the people of the French nation should thus demonstrate their ability to produce instantly this huge sum in "spot cash." It must be remembered that this great sum was subscribed by people whose incomes did not exceed \$2,500 a year, in the very great majority of instances.

At the recent meeting of the Missouri State Bankers Association Secretary Keyser showed that there was on deposit in the banks of this state almost twice the amount subscribed to the French loan—to be exact, \$6,154,334.987.91.

Withdraws Offer

W. A. Wilson of Kansas City, president of the defunct Citizens and Farmers State Bank of Arkansas City, has grown tired of waiting for the Kansas bank commissioners to accept his offer of \$14,800 in settlement of the claims of depositors and has withdrawn the offer. This amount, while it would not have covered the entire loss, yet with the amount the other members of the directory have announced they were willing to pay would have caused the depositors to lose nothing. The depositors have already received 92 per cent of their claims.



The Old National Bank OF SPOKANE

This bank is thoroughly organized and equipped for the proper handling of all items drawn on Pacific Northwest points

OFFICERS—

D. W. TWOHY, President
T. J. HUMBER, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

Hamilton National Bank

CHATTANOOGA - TENNESSEE

Capital - - \$1,000,000.00
Surplus - - 450,000.00
Total Resources - 6,000,000.00

We not only have the largest Capital, but the largest Surplus of any Bank in East Tennessee, and but one other Bank in the State offers to its Depositors the security offered by us.

T. R. PRESTON, President
H. T. OLMSTED, V.-Pres.
G. H. MILLER, V.-Pres.

C. M. PRESTON, Cashier
D. S. HENDERSON, Asst. Cash.
S. A. STRAUSS, Asst. Cash.

The Security National Bank

PASADENA - - CALIFORNIA

Opened for Business May 6, 1912

Capital - - \$100,000.00
Undivided Profits 10,000.00

OFFICERS

ERNEST H. MAY, President
HARRISON I. DRUMMOND, V.-Pres.
N. E. MACBETH, Cashier
ERNEST C. MAY, Asst. Cash.

Those who appreciate the services of and facilities afforded by a conservative bank and contemplate any change in their banking arrangements, or the opening of a new account, are invited to consider relations with us

EARLY BANKING HISTORY OF KANSAS BY G. W. MARTIN

(Continued from page 21)

first term. In 1860-1 he was agent of the Kansas relief committee for the receiving and distributing of funds and supplies furnished by eastern states. G. H. Fairchild was the treasurer of the committee and the cash receipts from October 1, 1860, to March 15, 1861, were \$83,869.52. Mr. Pomeroy was succeeded as president of the Atchison branch of the Kansas Valley Bank by William H. Russell of the contracting firms of A. Majors & Company and Smoot, Russell & Company. In 1861 this bank, then called the Kansas Valley Bank, had its name changed by the legislature to the Bank of the State of Kansas. William H. Russell resided at Leavenworth and was in 1856 the treasurer of the executive committee to raise funds to make Kansas a slave state. The Bank of the State of Kansas continued until 1866, when the stockholders wound up their affairs. Mr. Russell lost heavily in his Overland Pony Express Company and the California Pike's Peak Stage Company. Ben Holliday of Missouri and New York securing control of the latter. It was said that he received \$500,000 a year for carrying U. S. mail between Atchison and Salt Lake and sold the stage line to Wells-Fargo for \$1,800,000. Atchison had an enormous business in those days, derived from the trade of the West, being the starting point of the stage line, the Butterfield Overland Dispatch and the Parallel road to the "Kansas" gold mines near Pike's Peak.

I have always believed that Samuel C. Pomeroy was a greatly wronged man. George W. Glick, a democrat, was a very warm friend to Pomeroy, and he always expressed great indignation when he heard "Old Pom." as we all called him, abused about the aid business. He witnessed Pomeroy several times divide out aid as it came, and made mention of the abuse heaped on him by the beggars when he could not meet their demands for a wagon load each, when he had but a wagon load to divide. Pomeroy's fall was the result of a conspiracy, and not because of general bribery. Dave Butterfield was a saw mill hand at Junction City. He left his wife there to hustle for herself, which she did by sewing. She made some shirts for me. After a year or so, Butterfield turned up on Wall Street, where he raised \$6,000,000 to stock the Butterfield Overland Dispatch, to the amazement of all his old

associates. The coaches, mules and equipment were the most extravagant. He was killed at Fort Smith by a street car employee with whom he quarreled.

The Exchange National Bank of Atchison, the oldest banking institution in Atchison, was established in 1859 as Hetherington's Exchange Bank. Its founder was William Hetherington. Save for one year during the war, its doors have been open daily. Repeated attempts to plunder it then induced Mr. Hetherington to close out his business and wait for better times. In 1869 it was removed to the fine building on the corner of Fourth and Commercial, erected by Mr. Hetherington for the express uses of banking business. In 1876 Mr. Hetherington admitted his son, Webster W. Hetherington, who had been for a long time a clerk in the bank, to a partnership, and in 1881 another son, Clifford S. Hetherington, became associated in the business. "The Exchange Bank of William Hetherington & Co." was changed to the "Exchange National Bank of Atchison," August 1, 1882. The formal change was made July 21; the incorporators deposited with the comptroller of the currency \$100,000 in government bonds, and completed

the steps required by law; but the bank did not commence business until August 1st. The directors were William Hetherington, Webster W. Hetherington, B. P. Waggener, Frank Bier and J. S. Galbraith. Ex-Governor W. J. Bailey is now a vice-president of this bank.

Luther Challis appears as banker in directories of 1859-1861, corner of Second and Commercial streets. In 1855 he had a big trade with Mormon emigrants and various Indian tribes. He was a member of the territorial council, 1858, of the free state council, 1859-60, and later state senator. He framed the bill that authorized the construction of the central branch of the Missouri Pacific, being a president of that road, and also a director and stockholder of the Atchison, Topeka and Santa Fe. In 1862 he began to operate in Wail Street and in 1864 had removed there, where it is said he had on deposit \$960,000. He returned to Atchison in 1878 to save the remnants of his fortune. He fought more than the bulls and bears in New York, where he successfully defeated a blackmailing scheme of the notorious Woodhull and Claflin, Train and others. He died a poor man.

Of the banks of Topeka, Guilford Dudley in 1857 advertised a brokerage business, and again in 1859 he made a showing as a broker. In May, 1864, F. W. Gilels obtained a government license to do a banking business. In 1872 the Topeka National was organized. August 23, 1866, the Kansas Valley National Bank was organized; this bank failed in 1873; it was known as Dan Adam's bank. The Leavenworth Commercial once said: "The state funds are in Dan Adam's keeping and are now invested in cattle." It was the same kind of a cattle story that forced the impeachment and resignation of State Treasurer Hayes. January 1, 1869, John R. Mulvane began his wonderful career as a banker in Topeka as cashier of the Topeka Bank and Savings Institution. To follow these details down to date for the entire state would make a book; the only purpose of this paper must be to save the beginnings.

In the spring of 1859 there was a bank organized at Lawrence, under the territorial laws, after the free state party had control, and was called the Lawrence Bank. Its circulation was redeemed in coin. S. W. Eldridge, James Blood, Governor Robinson and Robert Morrow were directors. After we became a state, the bank was reorganized under the state laws

(Continued on page 30)



GEORGE W. RODGERS
Cashier, Bank of Commerce, Little Rock, Arkansas

JOHN McHUGH - President
 JOHN J. LARGE - V.-Pres.
 W. L. MONTGOMERY, V.-Pres.
 HENRY G. WEARE - V.-Pres.
 F. A. McCORNACK - V.-Pres.
 H. A. GOOCH - Cashier
 O. D. PETTIT - Asst. Cashier
 FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
 BUSINESS AND OFFER
 YOU EXCEPTIONAL
 FACILITIES. CORRE-
 SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
 Excellent Collection Facilities

ARTHUR REYNOLDS, President
 J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
 C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
 W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
 C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
 Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
 Savings Bank that Makes a Specialty of
 Collections and Bank Accounts

Largest Bank in Clinton
 County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
 35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VECHTEN, President
 GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
 KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Des Moines, May 29.—If reports which reach Secretary P. W. Hall of the Iowa Bankers Association are any criterion, the convention at Cedar Rapids next week will be the most largely attended in many years. Rooms at the Cedar Rapids hotels have long been engaged and arrangements have been made to take care of the overflow at the residences of the city. At the recent republican state convention in Cedar Rapids the homes of the people were thrown open and hundreds of visitors were entertained, in many instances free of charge. The program this year will be of especial merit and the plans for entertainment aside from the routine of the convention are attractive and promise many good things. The contest for location of the next convention will be one of the interesting features. Des Moines bankers are going in a special car to Cedar Rapids determined to bring the convention to this city next year if it is possible. The contest for treasurer will also be a good lively one. In short there is every reason to expect a record breaking session of the I. B. A. June 5th and 6th.

Abandon Fight Against Loan Sharks

The movement to organize a public loan bureau in Des Moines with which to fight the loan sharks has been abandoned temporarily. Lee Stevens, president of the Century Savings, was chairman of the committee which had the work in charge. Mr. Stevens says that he met with great encouragement but that investors hesitated to put their money into a concern that would be forced to do business on an illegal basis. The scheme contemplated asking 2 per cent a month interest. This is in violation of the Iowa law, and while it was thought that the bureau could evade the law as do loan sharks by asking commissions, etc., still there was much hesitation and a constant likelihood that loan sharks would stir up litigation through those who were borrowing from the public loan bureau at the usurious rate. Chairman Stevens in announcing the abandonment of the project urged that the Commercial Club take steps to secure a law at the forthcoming legislative assembly permitting the organization of loan bureaus in cities of a certain size. The law as sought will authorize the asking of two per cent a month interest. If such a law is passed, Mr. Stevens says there will be no difficulty in securing the required \$50,000 capital and much more. He also says there is no doubt that the investment will pay 12 to 14 per cent.

Bank Litigation Case

One of the best known cases in bank litigation in the courts for many years came to an end, for the time being at least, in the courts at Des Moines when a jury found that the Des Moines National must pay the American Express Company \$2,568.10. This is the outcome of the shipment of a package supposed to contain \$2,000 from the Des Moines National to the Bank at Irwin in 1905. When

the package was opened at Irwin it was found to contain brown paper instead of money. The Irwin bank sued the express company for \$2,000 and costs and won the suit. Thereupon the express company sued the Des Moines National. The express company was able to show that the seal on the package had not been broken when it reached the Irwin bank and that the transfer of the money and substitution of brown paper must have taken place before the package was accepted by the plaintiff. Although the case has been in the court for seven years it is probable that an appeal will be taken by the Des Moines National from the recent finding of the district court jury.

P. W. Hall Will Advocate Campaign of Education

A campaign of education which will aid the people to understand the intricacies of banking, of currency and of needed legislation in Iowa will be advocated by Secretary P. W. Hall of the I. B. A. in his annual report at the state convention next week. Mr. Hall believes there are many Iowa laws bearing upon banking and taxation that should be revised. He believes that the bankers alone will not be able to secure action as needed at the hands of the coming legislature but he believes that if they will begin to talk to their friends and neighbors and gradually point out what is needed, it will not be difficult to get some very favorable action on the part of the Solons next winter.

Frank Roberts

Frank Roberts, who has been chief examiner in the Iowa banking department for the past eight years, has purchased a block of stock in the Citizens State at Newton and became active manager for that institution June first. A. O. Wolver, a banker of experience and an examiner under Mr. Roberts for the past three years, has been appointed by Auditor Bleakly to succeed to the position of chief examiner. This change will be the subject of considerable discussion over Iowa, for Mr. Roberts is known to every banker in the state and particularly to the state and savings bank owners. His work has been of high order, and while many times bankers were disposed to regard Mr. Roberts as too insistent upon the observance of details, Auditor Bleakly has always upheld him. The last state or savings bank failure in Iowa was in 1907. This good showing since is ascribed by Auditor Bleakly to Mr. Roberts' vigilance and to the watchfulness of the men under him.

Death of John B. Mowery

John B. Mowery, president of the First National at Ottumwa and one of the best known bankers in Iowa, died Tuesday at his home in that city at the age of 71. He had been ill several months. Mr. Mowery was actively interested in several of the smaller banks in southeastern Iowa. The funeral services were held Thursday.

Henry Malaas, assistant cashier in the First National at Waterloo, has resigned that position to become cashier in the First National at New England, N. D. Malass was formerly with the Security at Waterloo and prior to that time with an Oelwein bank.

Iowa Banking Notes

C. M. Johnson, head bookkeeper for the Iowa Trust and Savings, Des Moines, was drawn for jury service this spring. When brought before the court Mr. Johnson asked to be excused. "There's no one can take my place," he said. Then he added with a blush, "I have been married less than a week." "In that case I guess you are right, there is no one can take your place. You are excused," said the court.

The State Savings of Woden has filed articles with the secretary of state. The capital stock is \$15,000. The incorporators are A. C. Ripley, F. M. Hanson and I. W. Neese.

W. G. C. Bagley, cashier of the First National at Mason City and treasurer of the Iowa Bankers Association, was a Des Moines visitor last week.

The Fort Madison Savings and Loan Association of Fort Madison has filed articles with the secretary of state. The capital stock is \$500,000. The incorporators include A. R. Smith, W. P. Timpe and F. C. Chambers.

The comptroller of the currency has assented to the organization of the Story City National at Story City. The capital stock is \$40,000. The organizers include J. and H. N. Donhowe, P. C. Donhowe and M. P. Marwick. The institution succeeds the Story City State Bank.

H. D. Thompson, one of the best known financiers in Des Moines, has been chosen director of the Peoples Savings, Des Moines, succeeding the late Oliver H. Perkins, who had been a director of the institution since it was first organized. Mr. Thompson has lived in Des Moines forty years, and is connected with the F. M. Hubbell & Sons Co.

F. W. Ouren of Council Bluffs has been chosen president of the Treynor Savings at Treynor, succeeding the late Michael Flamant, whose death occurred in March. Mr. Ouren has been vice-president for several years. Jurgen Heesch was chosen vice-president, and August F. Dammow, cashier. The institution is ten years old and flourishing.

A new building and loan association has been organized at Iowa Falls with a capital stock of \$26,000. The commercial club was behind the movement.

Sioux City

By JOHN J. BIDDISON.

A big bundle of cashier's checks of the Merchants National, now out of existence, on the Sioux City Clearing House, issued at the time of the 1907 "unpleasantness," came to light out of a load of old paper sold by the First National to a junk dealer and last Saturday occasioned not a little embarrassment to banks about the city. Many of them had not been properly canceled, and the first two offered were cashed. Upon discovery that there were many of the odd pieces of currency in circulation, payment was stopped, and an investigation brought the facts to light. Meanwhile, the junk dealer had been giving away money to his friends with prodigal liberality, and children were using them to play they were millionaires.

The presence of the cashier's checks in the waste paper has not been accounted for. A large amount of such paper was destroyed by the old Merchants National, and when the First National took over the business all that remained about the bank was burned under the supervision of the officers; it was supposed that all had been destroyed. The first checks were presented to the American Savings Bank and the Woodbury County Savings Bank, which gave cash in exchange for these

\$5 bills of indebtedness. When an attempt was made to do likewise at the First National a stop was put to the proceedings. Those who received money gave it up, being convinced of the worthlessness of the "currency."

George S. Parker

George S. Parker, president of the Live Stock National Bank, spent the latter days of this week at Dallas, S. D., attending the Group 2 meeting of the South Dakota Bankers Association. Thursday afternoon he gave an address on "Securities," and Thursday evening he presided as toastmaster at a banquet. Speakers were J. R. Cash, of Bonesteel; Mrs. E. A. Jackson, Dallas; C. E. Burnham, Norfolk, Neb., and Rev. G. E. Ferguson, Gregory. Louis Visha, cashier of the Bank of Dallas, was chairman of the committee on arrangements.

Boosts Sioux City

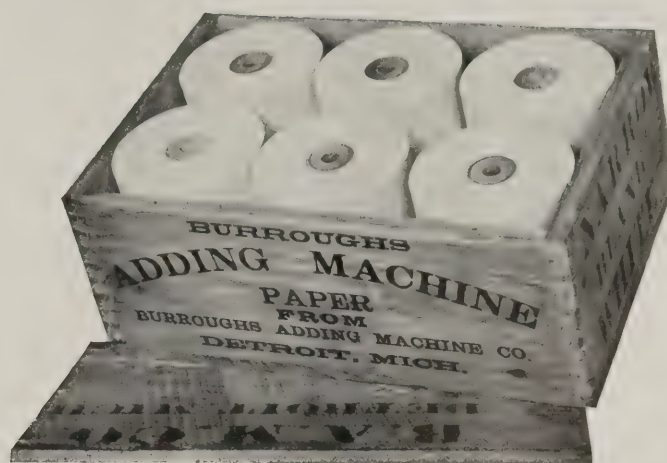
Frank J. Parsons, vice-president of the United States Mortgage and Trust Company of New York, tickled the pride of Sioux City people while in the city this week by giving out an interview in which he grouped Sioux City with Kansas City and Portland, Ore., as the

three western cities that show the liveliest signs at the present time of progress and prosperity. He was particularly impressed with the season's building activities. He has been making a tour of the western coast.

FAVORS CLEARING HOUSE BANKS

Mayor Blankenburg of Philadelphia last week sent a message to councils accompanied by an ordinance designed to furnish better safeguards for city funds deposited with local institutions. The ordinance provides that all institutions shall pay 2 per cent interest on city deposits, the same as at present, and also directs that all city depositories must be members of the Philadelphia clearing house or furnish a sufficient bond containing a warrant of attorney to confess judgment in favor of the city in the amount of 25 per cent of the capital stock and surplus of each depository institution.

The First State Bank of Milano, Texas, with a capital stock of \$10,000 has opened for business with the following incorporators: Gus Newton, L. Bedell, Oxsheer Smith and others.



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The paper must be of such strength that it will not tear under the tension required for feeding in the carriage.

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Capital - - \$ 100,000.00
Undivided Profits 223,462.79
Deposits - - 1,763,356.81

We cordially invite correspondence with banks, bankers and trust companies desiring a first class connection in the State of Arkansas

The Citizens Bank OF PINE BLUFF, ARKANSAS

Capital - \$300,000
Surplus - 100,000

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R. M. KNOX, 1st Vice-President
 GEO. L. MADDING, 2nd Vice-Pres.

M. E. BLOOM, Cashier
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BANKERS AND AGRICULTURE IN ARKANSAS

Clay Sloan, commissioner of the bureau of mines, manufactures and agriculture of Arkansas, delivered a very interesting address at the convention of the Arkansas Bankers Association at Little Rock on May 29th. Among the remarks made by Mr. Sloan are the following, the subject of his address being, "How Can the Banker Best Help the Farmer?"

"We have in Arkansas the U. S. government agricultural state agent with his corps of district agents, a farm demonstrator for each county, the teacher, with many co-operators in every township, the pupils, the agricultural experiment station at Fayetteville University and its branches in other sections of the state, four minor agricultural schools filled with instructors who by practice and precept are teaching fundamental agriculture to the youth of the land. In our more than 600 school houses throughout the state we have 10,000 instructors teaching our 400,000 children some of the simple and wholesome truths of elementary agriculture required by law to be taught in our common schools. Each of our four railway systems has for our state a commissioner of agriculture, who is traversing the state with exhibition trains filled with expert lecturers and object lessons in agricultural products and domestic animal specimens, each and all laboring arduously and intelligently along the prevention of crop failure by dissemination of knowledge of better methods of cultivation, and not without good results."

Mr. Sloan, after stating that the farmer is the poorest paid of all laborers, suggested that the bankers, without loss to themselves, probably could furnish to the farmers cash at a reasonable rate of interest with which to buy their needed supplies, thereby enabling them to cut down expenses and consequently to increase their profits. Speaking along the same lines, the commissioner also said in part:

"In Ireland they now are working out what is known as an agricultural banking movement, based on co-operative credit. A number of farmers organize in a community. They take in only such men as they deem honest and trustworthy. A committee of their best business men is chosen, a secretary named; they arrange with bankers for cash to supply their needs in making the crop, nothing else to be bought by any member. All or part of the members sign the note to the banker, if they and the banker agree that the article desired should be purchased by the borrower and

the money asked for actually is needed. All members and their banker look out for the best markets when crops are ready for sale. This is said to be a success in Ireland. The great stock banks are furnishing the money gladly to the smaller institutions for this purpose, as they look on them as reliable and trustworthy feeders. In Ireland the government has some connection with the plan, but could not our bankers do it without government intervention?"

"There is pending in congress now the Gronna Resolution looking to the appointment of a commission to make inquiry into co-operative rural finance preparatory to federal legislation establishing a system of co-operative rural credit unions, on some such plan as used in Ireland, I suppose. You need not wait for this. In the panic of 1907 the bankers took matters into their own hands, issued John Doe money and refused to let a man draw his own cash out for his own needs. I don't see that they need any statute to start anything if they want to. While you are evolving a more comprehensive plan could you not furnish the farmer cash, with a lien upon his chattels and his land as security for its repayment? This is safe and conservative banking if care is exercised in selecting the chattels and the man. It may be objected that such indebtedness could not be realized on easily in case prompt collection had to be made, but where the amount to be collected is not too near the actual value of the lands or chattels, I feel sure speedy sale could be made, where such unfortunate necessity would exist, for a sum equal to the indebtedness secured. Horses, mules, crops and lands find ready purchasers at fair prices everywhere and at all times in our state. Debts secured by them would be paid as promptly without foreclosure proceedings, I think, as notes secured by personal endorsements now are paid without suit, and foreclosure would bring as prompt collection as suit against individuals, especially where execution is ordered and a stay bond given. Cash with which to buy supplies will reduce the farmer's expenses because he can buy much cheaper and the merchant can sell to him much cheaper than where the merchant has to put on an additional per cent to cover the hazard of his business and to buy himself on time in order that he may give time to the farmer. Whether the security be a lien on property or personal security, the time of payment would have to be for more than the ninety days now usually allowed; for at least

six, and often eight, months from the time the money was needed in the spring to the time of gathering crops should be given. The average farmer is a man of small capital, and all his capital usually goes into his crop each year and he gets it out again only once a year at the end of the season. The financing of farm ventures, giving non-usurious financial help to trustworthy, capable men, is one of the most imperative needs of our times. Somebody ought to do it. I hope and sincerely believe the bankers of Arkansas will do their share of this important work.

"To assist the farmer to lower expenses by furnishing cash for purchases, will cause profits to come to his business in a degree, but if you will enable him to get a price for his commodities that the cost of production and reasonable profit in business demand, you will have rendered him another most valuable service. There is not an economic problem before the farmer to-day of larger proportions than the advantageous disposition of his crop, to those who will consume it at a figure remunerative to the farmer and just to him who buys. The prosperity of the agricultural sections hinges greatly upon crop marketing. It is just as much a part of farming, I verily believe more important than cultivation, when we consider that great desideratum of all business—'profit.'

"Imperial county, California, is including co-operative marketing in her regular public school course. Education may solve it in time to benefit some future generation, but can't the Arkansas bankers help now? There are waste and error and wrong, even tyranny, in the sale of crops. Every waste eliminated, error corrected, wrong righted, tyranny abolished from the distribution of the crops will be a blessing to not only every farmer, but to all in his community as well. Farm values of the farm products of 1910 were nine billions of dollars. One-third of the product was used on the farm itself and the two-thirds that were sold were retailed at twelve billion dollars. Who got the six billion dollars? The farmer should understand marketing, but he does not. He is suffering from lack of this knowledge. Had he understood it the six billion dollars less reasonable commissions and transportation charges would have remained in his pocket."

Mr. Sloan concluded his remarks by saying that in the fight for agricultural supremacy the South must to a large extent rely upon the bankers.

Fourth National Bank

NASHVILLE - - - TENNESSEE

Capital Paid in - - \$600,000
 Surplus and Profits - 750,000
 Deposits - - - - 6,800,000

OFFICERS

W. C. DIBRELL, President
 J. H. FALL, Vice-President
 WALTER KEITH, Vice-President
 J. S. McHENRY, Cashier
 G. W. PYLE, Asst. Cashier
 C. H. LITTERER, Asst. Cashier

Possessing unexcelled facilities for caring for the wants of our out-of-town friends, we respectfully solicit your business, assuring prompt and satisfactory service and courteous treatment

North Memphis Savings Bank

MEMPHIS, TENNESSEE

Established 1904



Capital (Paid In), \$ 50,000.00
 Surplus (Earned), 100,000.00
 Deposits - - - 2,300,000.00

Comparative Statement Of Deposits

December 1904	- - - -	\$ 321,635.37
December 1905	- - - -	487,745.15
December 1906	- - - -	678,404.34
December 1907	- - - -	820,465.32
December 1908	- - - -	1,207,718.89
December 1909	- - - -	1,510,697.85
December 1910	- - - -	1,868,851.07
December 1911	- - - -	\$2,215,810.98

OFFICERS

A. WALSH, President
 J. ROSE, Vice-President

M. G. BAILEY, Cashier
 HENRY CRAFT, Counsel

BANKING CONDITIONS IN TENNESSEE—KNOXVILLE CONVENTION

(Continued from page 9)

zens to seek investments outside of our state, as well as lack of growth in wealth and population, and naturally the question arises, "Why this apparent stagnation?" The answer is found, in part at least, upon examination of our assessment and taxation laws, which operate to intimidate investors and drive capital and citizens away from our state. I do not offer a specific remedy for these evil conditions, but suggest that they can be overcome by entrusting our law making, as well as administrative offices, to business men of tried and proven ability.

The laws needing revision or repeal are those affecting our commercial welfare, and consequently should be changed in accordance with the best judgment available, and the experience of those most interested should be used in making the necessary changes.

The affairs of state are those of a business organization, differing only in size, and call for business principles, rather than arguments on legal technicalities. To secure laws suitable for the commercial development we must get business men to make them and apply them.

Now the members of this association are all business men and quite large taxpayers; they are also the custodians of large funds of many business institutions throughout the state, and as owners and trustees of such property, they should be most available to take a hand in seeing that competent business men are placed in position to handle the problems of our government. In making this demand we are doing what any business organization would require to secure officials to determine and carry out policies for its successful operation, and we cannot get away from the idea that our government is nothing more in its business functions than a means to raise revenue and spend it judiciously for the benefit of all of our citizens.

The officials of our national government recognize the incompetency of the statesmen to handle its affairs, unaided by the business men of the country. There was recently held in Washington a commercial congress, called by President Taft, the purpose of which was to effect a permanent organization composed of the able business men of the country, to assist the federal government in solving the economic

problems of the day. The President told this tentative organization that he was thoroughly imbued with the importance and necessity of a national chamber of commerce to co-operate with the government in handling questions which affect the business welfare of the country. At this meeting, Mr. Nagel, secretary of commerce, said that so pressing were the problems confronting them, if the governmental agencies did not find the solution, the commercial and industrial forces would compel that solution in one form or another. He also stated that the confusion which now exists, evidenced by the disposition to discourage and embarrass, is to be attributed to the circumstance that important and comprehensive advice had not been afforded by those who are primarily interested, and whose experience is most essential to a correct understanding of matters in dispute.

Instead of depending upon the advice or the demands of a specialized interest, we must have a common judgment of commerce and industry, and to get that judgment we must have a common or more general representation of the business interests of the country. You will observe from this, that there is an imperative demand for the business man's voice in directing proposed measures and in administering existing laws.

What is true of the nation is essentially true of the state, and the demand upon us is as urgent as it is upon the citizen at large of the federal government, so I would urge all of you to take a lively interest in the endeavor to satisfy that demand. As bankers you represent every form of capital and industry in the state, and consequently your judgment would come nearer than that of any other body of men to being what Secretary Nagel calls "the common judgment of commerce and industry."

The conditions in our state have been rather uncertain for some time, and men not accustomed to the vortex of the political whirlpool are disposed to hesitate to enter. But there is no greater danger than fear, while the greatest security will come from the courage of capable and honest leaders, who are bound to command the support of all honest citizens, and the rank and file are sincere in their honesty.

The very fact that there is so much discord in the political machinery of our state is evidence that there is a lack of common understanding and effort on the part of those in control, to subordinate their selfish interests

to give the people an honest and intelligent service. If it were not so much a contest between the office holders and the office seekers, we would not have this talk about would-be harmony. If business men were in charge of our government with the real interests of the taxpayers at heart, we would not be annoyed by so many "factions." These conditions are the result of our turning our affairs over to time-servers, who are more interested in perpetuating themselves in office than in giving the people of Tennessee an efficient administration of its public affairs.

In making a plea for the business man, I am not advancing an original idea, for it has been brought to the attention of all by the demand from all quarters, for a change in the class of men holding high places in the state and in the nation. I recently read a very able address of E. C. Simmons, who is a captain of industry of world-wide fame, and as his opinion is of much value, I quote the following from his article:

"We sadly need for our next president a business man, and I firmly believe if we had such a man in the White House as the result of the next election, within six months from the time he took the oath of office, there would be such a changed condition in the affairs of this country, that all the idle men who wanted work would find plenty of it and at good wages—that the wheels of commerce would revolve in a more wholesome way, and at a greater speed than has ever been known in the history of the United States.

"There is not a shadow of a doubt in my mind that a business man would, at the present time, be elected by a larger majority than has been shown for any president in recent years."

In making this statement Mr. Simmons has voiced the opinion of every business man in the country, and his reflections on national conditions would well be applied to the situation in almost all the states of our Union.

Now, gentlemen, I have indulged somewhat in generalities, and I fear some may think I have forgotten the object of our meeting; such is not the case, but recognizing what a potent factor for good our organization can be, I make use of this opportunity to draw your attention to the needs of the hour in our state.

The work of the association will be carried on with greatest benefit to all, as the details are in the hands of able committees, and as I know that every member here to-day is pre-

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FOR SALE—Bank Stocks

We Have For Sale the controlling interest in several banks in the Northwest and requiring \$6,000 to \$20,000. No trades. Your inquiries treated in strict confidence. C. B. Enkema & Co., 236 Security Bank Building, Minneapolis.

pared to use his best efforts and give his best ideas to make this convention the most successful in the history of our association, I have not dwelt on subjects peculiar to the meeting itself, preferring to elicit your individual and united aid to prevent the grandeur of our state's past greatness becoming overshadowed by the gloom of political strife which is hindering our progress and prosperity.

EARLY BANKING HISTORY OF KANSAS BY G. W. MARTIN

(Continued from page 25)

and Kansas state bonds were deposited with the auditor for the security of the circulation. Governor Robinson, Robert S. Stevens and Robert Morrow were the owners and directors. After a time Mr. Stevens bought Governor Robinson's and Robert Morrow's interests and became the sole owner. Morrow remained nominally the president and S. C. Smith was the cashier. Mr. Stevens became extensively engaged in government contracts, building Indian houses and other matters and concluded to close the bank. He took up money and deposited it with the auditor to redeem the circulation and withdrew the bonds. Mr. Smith remained in the bank, doing an exchange business, and this was the condition when Quantrill burned Lawrence and robbed the safe. In it there was a small package of the bills that had been redeemed by Mr. Smith and not taken to Topeka, and these were carried by Quantrill's men to Missouri. We have a two dollar bill of this bank presented by Mr. G. Grovenor, which passed through the Quantrill raid, being in Mr. Grovenor's safe. Morrow had several thousand dollars in coin of his own money in the safe that was also taken during the raid. It was when silver and gold dollars were worth two dollars and a half in greenbacks. There were three other banks in Lawrence opened about this time, viz.: Babcock & Lykins, Simpson Brothers, and E. D. Thompson. These were not banks of issue.

Back in the 60's an attempt was made to start a bank at Lecompton. E. W. Wynkoop, later very prominent in the founding of the city of Denver and as Indian agent, was interested in the attempt, but the sight of much gold and its security, I suppose, greatly discouraged them. Ely Moore in his delightful story of Lecompton tells how western people at that time disliked paper money, and he gives a dialogue he heard between a Missouri river steamboat captain and a woodyard man. The boat pulled up to the bank and the captain called out, "Is your wood dry?" "Yep" was the answer. "What is your wood worth?" shouted the captain. "What kind of money do yer tote, Cap?" asked the wood merchant. "The best on earth, the new Platte Valley Bank," replied the captain. "If that be so, Cap," was the rejoinder, "I'll trade cord for cord." How would we do business to-day with the old fashioned director always in hand?

Under the act of 1857, creating the Kansas Valley Bank with branches, Fort Scott organized a branch in May, 1857. Governor Robert J. Walker refused to approve. The

parties interested sued the governor, but there is no record of what became of the suit. The law provided that stockholders had to put up one-half their subscription in gold or silver and give to the bank a bond for the other half. Two Lecompton men were quite prominent in the Fort Scott move, James G. Bailey and David Bailey, brothers.

Kansas in those days had her Wall Street and it is a singular circumstance that the antipathy which later prevailed did not happen then. The first United States land office was opened for business at Lecompton in May, 1856. It was located on Elmore Street. The remainder of the same block, both sides of the street, was lined by a pretty fair assortment of wood shanties, used by land lawyers and land sharks. The only currency then recognized by the United States in the payment for land was gold and land warrants. Settlers had to have gold with which to pay government, but they could make some saving by purchasing a land warrant. There are no very damaging stories of the rapacity of those doing business on the Wall Street of Lecompton, but as lofty as five per cent a month was common talk for the fellow who had neither land warrant nor gold, and who desired a quarter section of the public land. The land office was moved to Topeka in September, 1861, and the greater portion of the time it was at Lecompton there was a heavy business. Besides the ordinary entries there was much contesting, making business for attorneys and bringing many witnesses. There was a bright lot of young men at Lecompton in those days other than the financial skimmers. The first

HAMILTON NATIONAL, CHATTANOOGA, TENN.

The Hamilton National of Chattanooga is justly proud of its new home. The building is fifteen stories and contains over two hundred and fifty offices. The bank's equipment is as substantial and elegant as that of any bank in the United States, and every effort has been made to make it convenient and serviceable to patrons.

The surplus of the bank is represented approximately in the bank's investment in the building, leaving the \$1,000,000 capital free for banking purposes. The building has no encumbrance.



HAMILTON NATIONAL BANK BUILDING
Chattanooga, Tennessee

settlers in Kansas were not chumps by any means. Some came here with the conceit that they were sharper than others and they sometimes found in the end that there were those who were still sharper. I remember an instance of a gentleman from Ohio who came to Lecompton with a few thousand dollars and who intimated that he was going to cut something of a swath. One morning about 1858, I was standing in front of the old National Hotel as the stage was loading for the East. The gentleman from Ohio had concluded to return with every feather plucked. As he stood with one foot on the step of the coach, holding to the post and swinging the other foot, he remarked, "When I get back to Ohio I will tell them there is nothing but a sheet of brown paper between this place and hell!"

CALIFORNIA BANKERS CLOSE CONVENTION

Long Beach, Cal.—At the closing business meeting of the annual convention of the California Bankers Association, A. E. Edwards, vice-president of the First National of Pasadena, was elected president; L. P. Behrens, Redwood City, vice-president; George N. O'Brien, San Francisco, treasurer; P. E. Hatch, Long Beach, J. E. Fishburn, Los Angeles, George McNear, Petaluma and Elliott McAllister, Marysville, members of the executive committee. At the executive council meeting R. M. Welch of San Francisco was named chairman and Frederick H. Colburn of San Francisco, re-elected secretary. The council will meet soon to arrange for the creation of the group system of banks in the state. An invitation, signed by all of the bankers of San Diego to have the 1913 convention held there, was referred to the executive council. The past president's button, and a silver loving-cup were presented Stoddard Jess of Los Angeles, the retiring president. In resolutions, the association favored having the economic value of thrift taught in all public schools; asked the legislative committee to suggest legislation leading to such instruction in schools, and favored encouraging the extension of the school savings system. The bankers also declared the development of agricultural resources to be the surest foundation of prosperity, and requested the executive council to further the movement in this state toward placing agricultural pursuits on a more scientific plane.

LAKE COUNTY BANKERS TO ORGANIZE

As chairman of Group 4, J. M. Hurst, assistant cashier of the National Bank of the Republic, has called a meeting for the purpose of organizing a Lake county federation. The meeting will be held on June 4th at 1 p. m. at the Deerpath Inn in Lake Forest. The plan is to have luncheon served at the inn and to have the Lake county bankers become better acquainted. The luncheon will be followed by the meeting, the purpose of which will be the organization and election of officers of the federation, reporting at the meeting of the group, which will be held at Yorkville a few days later. George Woodruff, Joliet, has been invited to speak.

DRY FARMING CONGRESS

Bankers interested in farming subjects will find the annual "Handbook of Dry Farming," containing records of the sixth international dry farming congress held at Colorado Springs on October 16th to 20th, 1911, full of information relating to agricultural development. It is issued under the supervision of John T. Burns, executive secretary-treasurer, Lethbridge, Alberta, Canada, where the seventh annual session will be held during the week of October 21, 1912.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

thority for making them standard. The various systems of helping the farmer in Europe will be studied and reported upon by Mr. Chamberlain.

WE understand that the "crooks" whose pictures were published in the protective department of the Journal for May were particularly delighted to "welcome to their midst" those who dined with the trust company section at the Waldorf.

PRESIDENT B. F. HARRIS has sent out a statement for publication of what United States ambassadors and President Taft are doing toward promoting a better state of finance for the farmer. It appears that this work originated largely with the Illinois committee.

"HE'LL be me" said the Colonel. Wrong again, at least from the standpoint of good English. It is believed the "He'll be me" line would have caused T. R. trouble in the Massachusetts primary.

WE hear that F. A. Crandall, special ambassador to the Californians at Long Beach from the National City Bank, Chicago, enjoyed every good thing that came his way, and put in some good licks for his aggressive institution.

NOW that the baseball season is in full swing in Chicago one of the big banking institutions has adopted the following rule: "All requests for leave of absence owing to funerals, weddings, lame back, house cleaning, moving, sore throat, headache, indigestion, etc., must be handed in not later than 10 A. M. ON THE DAY OF THE GAME."

NEWEST bank in Chicago is the "Commercial Exchange National." It was represented at San Antonio by J. G. Wakefield, for, so we can prove by the Texas Bankers Record.

BY the way, the convention issue of the T. B. R. is one of the finest, best edited, best printed special numbers it has been our pleasure to see. Look around in this issue for the picture of "M. L. Riddle, managing editor," and you will catch on. Herewith a little poem by Editor Riddle dedicated to those who went down to San Antonio.

LITTLE bank roll, ere we part,
Let me hug you to my heart;
All the year I've clung to you.
I've been faithful, you've been true.

LITTLE bank roll, in a day,
To you and I will go away;
To some gay and festive spot
(Santone)

I'll come home, but you will NOT.

WHY not pass a by-law in Illinois fixing a time for the annual conventions, also for the groups? Several times Illinois has trailed along clear in the wake of even the national convention, which ought to close the season.

NEARLY half the time we either have no A. B. A. vice-president, or, we have two at once. Same with nominating committee.

FURTHERMORE, about half of our presidents get going to two A. B. A. conventions as "President of the Illinois Bankers," and the other half get shut out.

CRABTREE did not get that honor, while Harris draws both New Orleans and Detroit. You bet, it isn't right. Group meetings should not come in the busy state convention season. It robs them of speakers, attendance and publicity.

ILLINOIS needs outside help in getting her back in line, and back to stay. It's a disadvantage in many ways.

THIS year George and Lampert go off the Big Council at Detroit and their successors will not have been elected unless a special meeting is held. Nelson H. Greene was elected almost a whole year before his vacancy came along.

IN the olden days when your Uncle John L. "picked the winners," Illinois always had men (s)elected to fill the places. Another chance for another Moses to lead Illinois out of the wilderness.

JOHN McHUGH, Sioux City, drew a golf medal at the barbecue, and G. M. Reynolds got one "for complimentary things said to and about St. Louis bankers."

VERDICT is that "the barbecue" was the best thing pulled off by bankers of late and about evens the score with Kansas City for allowing her Bankers Club to seize and use up the "Houn' Dawg" song.

MR. REYNOLDS, on his return from St. Louis, said: "There were bankers there from different parts of the country, and all were optimistic. They would like to see better interest rates, but their banks were fairly well loaned up and the crop outlook from the different sections was reported favorable. Bankers from the corn belt thought that 80 per cent of the crop had been planted."

THEY tell a good one on J. Fletcher Farrell down at St. Louis. It occurred at the entertainment of the Bankers Club on Saturday last. A bunch of guests were walking on the lawn, and had been talking politics. Various bankers had told where Roosevelt's strength was; namely, all the barbers, waiters, common people, etc., etc. Farrell saw a couple of waiters walking in front. He said, "I'll bet that those two fellows are going to vote for Roosevelt." Mr. Goebel from Kansas City, just for fun, said, "I'll take the bet." So Farrell called the waiters, asking them if they were not going to vote for Roosevelt, to which they replied in broken English, "We are not going to vote for anybody, we are not naturalized citizens."

QUITE a number of good fellows have concluded that W. T. Fenton should be coupled up with Crabtree for the two Illinois

places on the A. B. A. executive council. He's an ex-president of the Illinois Bankers Association, and has quite a distinguished association record.

MR. FENTON in reality started the clearing house section, but by an oversight was not given full credit for it. He also is the inventor, pure and simple, of the clearing house examination system, now in use by the twenty leading cities. It would be a fine recognition of Mr. Fenton for the place, and Group 4 couldn't do a wiser thing than to enter him formally in the race at Yorkville.

WE hear that Chairman Arthur Reynolds has been obliged to refuse a lot of requests to speak at State conventions. There is a limit to how much of such work one can do if he has anything else on hand. Mr. Reynolds is a very busy banker.

ANDREW J. SMITH, secretary of the Indiana Bankers Association, has sent out to the various banks in his state a little book setting forth the reasons why every bank in Indiana should become a member of the association.

CASHIER.

Wilbur Hattery

Wilbur Hattery, of the Continental and Commercial National, attended the sessions of the Tennessee bankers convention held at Knoxville on May 28th and 29th.

PLANS FOR THE DETROIT CONVENTION

At a meeting of the executive committee, having in charge the American Bankers Association convention to be held in Detroit, September 9th to 14th, arrangements for the annual convention were discussed in detail.

While no definite program of entertainment has as yet been decided upon, it is evident that the visitors will be given an opportunity of enjoying the pleasures of the Detroit River. Detroit possesses the finest steamers plying upon fresh water, and it is contemplated to charter these boats to take visiting bankers to points of interest.

John W. Staley, as chairman of the hotel committee, in his report to the executive committee, stated that the hotel situation is well in hand. Between eleven hundred and twelve hundred people already have made reservations at the hotels and requests for accommodations are being taken care of as fast as received at the convention committee rooms.

Detroit is an unusually attractive city during the summer months, and it is expected that a great number of representative bankers will take advantage of the opportunity of visiting the city the second week in September.

ASSOCIATION OF COMMERCE MEETING

On Wednesday, June 26th, at the regular luncheon of the members of the ways and means committee of the Chicago Association of Commerce in the main dining-room of the LaSalle Hotel, there will be held an important good roads meeting. It is understood that the Hon. Homer J. Tyce, chairman of the Illinois good roads commission appointed by Governor Deneen, will make the principal address. The members of the various committees representing the different organizations interested in this important subject will be invited to attend. This will include representatives of the Illinois Bankers Association, Illinois Manufacturers Association, Chicago Motor Club, Chicago Automobile Association, Chicago Automobile Manufacturers Association, the Hamilton Club, and like organizations which maintain good roads committees.

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Spokane & Inland Empire R. R. 5s (1926) - - - - -	5.00%
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CAPITAL AND SURPLUS - \$9,000,000



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Correspondence Invited

THE NATIONAL CITY BANK OF CHICAGO

Capital - - - - -	\$ 2,000,000.00
Surplus and Undivided Profits	587,563.63
Deposits - - - - -	30,713,013.20

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PRESS ONLY ONE KEY
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Fourth Street National Bank OF PHILADELPHIA

Capital - - - - -	\$3,000,000.00
Surplus and Profits	6,500,000.00

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B. M. FAIRES, Vice-President	W. K. HARDT, Assistant Cashier

The Girard National Bank OF PHILADELPHIA

Capital - - - - -	\$2,000,000
Surplus and Profits	4,716,000
Deposits - - - - -	46,275,000

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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

JUNE 8, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago, Illinois, under Act of March 3, 1879

10 CENTS A COPY

Iowa Convention

Cedar Rapids, Ia., June 6.—The two days bankers convention held in this state has proven to be a record-breaker in point of attendance and in general interest shown in the proceedings. The annual address by President E. J. Curtin aroused more enthusiasm and discussion than naturally was expected from a formal part of the program. His strong endorsement of the policies of his predecessor—John McHugh—was well received. His request for an endorsement by the Iowa bankers of a bill putting all forms of banking under supervision was the talk of the hotel corridors for the remainder of the day.

The Wednesday morning session convened promptly at ten o'clock in the opera house and proceeded rapidly to business, the usual addresses of welcome and responses having been relegated to companionship with things of the past. Secretary Hall belongs to the modern school. Treasurer W. G. C. Bagley of Mason City reported the financial condition of the association, and Secretary P. W. Hall gave notice that his report had been printed for distribution and could be found in the seats. This abbreviated matters very much. There was a very interesting report on taxation by C. D. Ellis of Charles City, and C. A. Larson of New Hampton reported for the agricultural committee. Time locks always are a favorite topic for consideration at Iowa conventions. Charles Shade of Rock Rapids reported on this subject. Another item on the Iowa program each year is the Sundblad fund. No one except the chairman of the committee ever knows anything about it, and this year that part of the program was presented by J. V. McCord of Spencer.

Prof. C. F. Curtis, dean of the agricultural college at Ames, delivered a short address on vocational education, which will be found printed in full elsewhere in this issue of THE CHICAGO BANKER. As an entertainment feature, Elbert Hubbard of East Aurora, N. Y., spoke on a subject given in the program as "Modern Business." What he talked upon and what he really said must remain a secret. At the adjournment of the morning session on Wednesday, George S. Parker, A. B. A. vice-president for Iowa, presided at a meeting of that membership.

In the afternoon there was an address by William J. Burns, head of the protective system of the A. B. A., and also head of the protective system of the Iowa association. Following Mr. Burns came Charles R. McKay of Chicago, advocating the numerical system adopted by the American Bankers Association, and George E. Allen, educational director of the American Institute of Banking, on "Banking Education." (The addresses by Mr. McKay and Mr. Allen will be found elsewhere in this issue of THE CHICAGO BANKER.) A very interesting and instructive talk was that by Hugh L. Cooper, chief engineer in charge of constructing the big dam at Keokuk. The second day brought out a talk by William B. Joyce, president of the National Surety Company, on surety bonds, and an address by B. F. Harris, president of the Illinois Bankers Association, on "The Banker and His Rela-

(Continued on page 21)

Makers of History in Association Policies



the association with agricultural and educational matters and has started a state-wide movement for bank supervision and inspection. The bankers of Iowa, in honoring these two men, have greatly strengthened Iowa's position as a leader among the states.

Iowa has been fortunate in the big, manly men she has chosen to head her state association. To the left is the portrait of E. J. Curtin, who presided this week at Cedar Rapids, and below is that of John McHugh, who wielded the gavel last year at Mason City. McHugh made the association a truly representative body in which the group units decided its policy through the Council of Administration, composed of the group chairmen, and which under President McHugh met four times per year. President Curtin kept up this advanced policy and the increased influence of the association in legislative and other matters has been marked. President Curtin has identified



Joseph E. Otis

Joseph E. Otis, vice-president of the Central Trust, who recently returned to the city after a three days visit in New York and a day in Boston, says: "There is little demand for money except in strictly commercial banks, which report better conditions than for some weeks past. Wall Street banks are not disposed to put their money out in time loans at going rates, but prefer demand loans, awaiting improved conditions in the money market. There is considerable anxiety in certain directions over politics. I found some Boston bankers quite disturbed through fear of a democratic victory at the coming presidential election and more tariff legislation as a result. The disposition all around is to go slowly."

FINANCIAL OUTLOOK

Business at the present time is somewhat quieter than it has been during the past few months. Commercial paper and bonds are not in very great demand. Western banks report that the prospects for good crops this year are very good. A general spirit of optimism prevails throughout the country.

CHICAGO BANKERS ENTHUSIASTIC ABOUT IOWA CONVENTION

Chicago bankers who attended the sessions of the Iowa bankers convention held in Cedar Rapids on Wednesday and Thursday of this week are unanimous in the opinion that the convention was a great success. It was very largely attended and enthusiastically conducted. J. Fletcher Farrell, vice-president of the Fort Dearborn National, states that a very fine program was given and that the speakers are men of excellent caliber. He says that the country is looking fine and that a general spirit of optimism prevails throughout the state. James G. Wakefield, assistant cashier of the Corn Exchange National, was very much impressed with the able and dignified manner in which E. J. Curtin, the retiring president of the association, presided at the sessions. G. M. Reynolds said the crops are the best ever. Attendance was over 1,500.

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John Burnham & Co. now are located in their spacious new quarters in the New York Life Building, which have been remodeled for their use.

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Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

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Fort Dearborn National Bank CHICAGO, ILLINOIS



United States
Depository

Capital	-	\$2,000,000
Surplus and Profits	-	600,000
Deposits	-	27,000,000

Comparative Showing of Deposits

February 14, 1908	\$ 9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
March 7, 1911	21,574,956.79
June 7, 1911	23,137,746.88
September 1, 1911	24,500,075.82
December 5, 1911	25,445,199.89
February 20, 1912	26,207,446.32
April 18, 1912	27,237,752.30

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Capital and Surplus \$1,000,000

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WM. C. CUMMINGS



Mainly About Banks and Bankers

LOOK up the picture of "M. L. Riddle, editor of the Texas Bankers Record," on page 13 (not intentional) of last week's issue, and then send in your subscription.

IOWA drew heavily on Chicago banks for her convention this week. Hardly a big Chicago bank without a few of the pure Hawkeye brand on the staff. To them an Iowa convention is a home-coming event.

IF you didn't hear E. J. Curtin's address at Cedar Rapids, turn to page 5 and read it. On the matter of association ethics and policies it's the best thing of the year by far.

HOUSTON JONES, formerly cashier of the Chicago Savings Bank and Trust Company, is the president of the new First National at Pharr, Texas. Mr. Jones was born in the South and longed, always, to get back there. The new building of the First looks (as it should) like a copy of the Alamo with a few frills added.

EVERYBODY "up-North" will wish "Houston Jones, president," the very highest measure of success. President Lucius Teter, of the Chicago Savings, is in the front rank of those who believe he will succeed in a handsome way.

PHARR is a brand new town, but has a number of fine buildings already. The population, Jones says, consists of "one knocker, two kickers and 500 boosters," which are about the right proportions for a win.

IT is the unwritten law of the sea that a captain must go down with his ship. Men dare not write it into the contract, and nations dare not incorporate it in their navy or marine regulations, yet the tyrants of the sea know the law, and believe that to obey it betters their service, and there are few instances of its being disregarded.

IT is the unwritten law of the army and navy that an officer shall not seek cover, or at least shall not show apprehension of danger to his person, in time of battle and in the presence of enlisted men or common sailors.

IN obedience to this law Farragut bound himself to the mast. Lee rode to the head of his charging column at the bloody angle and Lawton walked coolly in front of the line and was shot in the presence of his men.

IT is the law of banking, too, in the higher sense, that the officers of a bank shall prevent all loss to depositors even to the entire cost of their own private fortunes. Responsibility doesn't end with the legal double liability, and this should apply to directors as well. It ought to be impossible in America for a depositor to lose a cent in any bank.

WHEN banks become absolutely safe against loss to depositors, then banking will be a science. It ought to be impossible for an unsafe bank to continue. Can't last long in Chicago Clearing House district, and we do not expect to see any depositor in that district ever lose a dollar after Illinois adopts her new banking law.

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

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ABSOLUTE safety is possible in banking and at the low cost of perfect supervision and inspection with fullest publicity. You will live to see it if you go actively to work and help to bring it about.

"HANDS across" the Mississippi to E. J. Curtin, president of the Iowa Bankers, who asked that association, the largest by far, to go on record as favoring bank supervision and inspection.

IOWA in ye olden days gave her presidents two years in the chair in succession. Now she doesn't stand for two consecutive years, even of the rotation kind. Cedar Rapids has been the convention city four times and Des Moines six.

KENT C. FERMAN was the chairman of the reception committee at Cedar Rapids this week, and the visitors were well cared for. But when it came to a chairman for the ladies' committee there wasn't even a second choice. J. M. Dinwiddie got the job—with Burianek barred.

ER. MOORE was the "busy signal" on the entertainment committee.

CA. LUHNOW, editor of the Trust Companies Magazine, New New York, was in Chicago this week en route to the Colorado heights for a few weeks' visit. His is a clean, able paper, highly valued by the department of banking which it serves with undivided attention.

LUHNOW travels about a great deal. Among bankers, doesn't tell much but listens much of the time. Association politics isn't even a side-line with him, but he did loosen up enough to say that everywhere he went he was told that Ledyard Cogswell of Albany likely would be elected chairman of the Big Council at Detroit. New York and New England are back of him.

HE heard, too, many favorable mentions of Joseph Wayne, Jr., of Philadelphia, but of no "pernicious activity" on the part of either gentleman. This is all very fine. Just the kind of men to choose from.

IT will be many years before anybody will again "run by petition." In the case where it was tried it was a case of bump-the-bumps.

CR. McKAY'S talk on the numerical system of the A. B. A. at Cedar Rapids is one of the most concise descriptions of its

working in existence. Then, too, he told the Iowa bankers right to their very faces that Illinois has 1,684 banks, whereas they have only 1,667. We just like to rub this in on Hall and Dinwiddie, who think differently.

INVESTORS MAGAZINE, issued by S. W. Straus & Co., investment bankers, continues to hammer the sellers of worthless stocks. The department head, showing by an engraving a bloated get-rich-quick artist selling fake shares to a widow-in-mourning, with her two dependent children holding to her skirts, is a very strong argument for a "Blue Sky" law in Illinois. Another case of where "the loss is total."

H. N. TINKER, well known in St. Louis and southern banking circles, is organizing a new bank at Portland, to be known as The First Trust Company.

DON'T forget Group 4 meeting at Yorkville on Tuesday next. Chairman Hurst has produced a fine program. The train is Burlington, at 8 A. M., Union Station.

B. J. STUMM, Yorkville National, will be glad to get a card from you, if going, so the good church ladies who will do the catering will have time to put an extra clam in the bouillon.

WR. NEWTON will welcome the guests and George Woodruff will read an original poem by way of response. It's such a good chance. W. D. Stewart of Plano, Peter Klein and Clarence E. Smith will orate on good roads, the Fox river and credit information.

WG. EDENS is down on the list of after-dinner speakers to present "The Interest of the Banker in Agricultural and Educational Development."

MRS. BELLAMY STORER, whose controversy with Mr. Roosevelt still is fresh in the public mind, contributes a remarkable article to the issue of Harper's Weekly for June 1st, describing how she obtained for the ex-President his appointment as assistant secretary of the navy, and prints the text of Mr. Roosevelt's acknowledgment for the first time.

"I AM deeply grateful to you," wrote Mr. Roosevelt, "and I am so very fond of you that I don't mind being under obligations to you." Mr. Roosevelt had become despondent as to his future. At that time he was, in Mrs. Storer's opinion, "an irresponsible father." "I have no future," he said to her. "I shall be the melancholy spectacle of an idle father writing books that won't sell."

CARSON HILDRETH, for years located at Franklin, Neb., will remove to Lincoln about the first of the year. He has long been Franklin's leading banker, school trustee and all around good citizen. Before retiring he wishes to help erect the new ten-thousand-dollar building for the Franklin Academy, to which he, in years past, has given freely of both time and money.

(Continued on page 30)

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ALL BUSINESS OF A GENERAL NATURE

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THE CHICAGO BANKER

Founded in 1898

VOLUME XXXII

CHICAGO, JUNE 8, 1912

NUMBER 23

President E. J. Curtin to the Iowa Bankers

Another year has passed, and at this, the twenty-sixth annual convention, it is my pleasure to tell you, that in all the years of its existence, the Iowa Bankers Association was never in as strong a position, as it is at the present time. We are an organization that is respected by the people of this commonwealth, because they know that what it stands for is the result of deliberation and not of impetuosity, and individual gain never has been considered when the interests of the people were at stake.

We have the respect of pulpit, press and political party alike, and our advice has been asked for, and freely given. During the past year in matters entirely foreign to our profession, but of material interest to our citizenship at large. As time goes on, and our organization keeps its place in helping to solve the problems that all states have to solve, I am sure that we, as bankers, will continue to take advanced ground and keep Iowa to the forefront. We lead all states in the number of banks, and while we have been glad and willing to co-operate with other organizations for the common good, in no sense have we neglected our duties to our member banks. At present we have about 1,535 members out of a possible 1,700, and to show that they are officered by able men, I have only to point to the graduates, who now occupy the very highest positions in the money centers of our country.

Protective Work

Your officers have believed that the first duty that the association owed to its members was to protect them against the attacks of burglars. Ably seconded by your executive council, we have waged an unrelenting war against them, during the past year, with the result that five of them have been found guilty, and sentenced to long terms in the penitentiary. This has not been accomplished without the expenditure of a large amount of money, but it was the judgment of both the executive council and your officers that, no matter what the expense, the banks must be protected. I am glad to be able to tell you that among the five men whom we have succeeded in capturing are two of the leaders in their particular line of work, so that from now on we believe that burglaries will be more infrequent. Bank burglars work in gangs, and with two leaders gone, it will be more difficult to organize. We have worked, in some of the cases, in conjunction with some of the Nebraska Bankers Association. In others, with our own detective, W. J. Patek, and about four months ago we secured the services of the W. J. Burns National Detective Agency, thinking that the best was none too good for the Iowa Bankers Association.

The Burns people are patrolling the state constantly, and working as we do in connection with the Bankers Association, whom the Burns agency also represents, we think we are in position to mete out quick justice to anyone attempting to burglarize one of our members.

Time Locks

Last fall, our time lock expert handed in his resignation, and we were obliged to look

Proposes a committee to draft a bill putting all forms of banking under supervision and inspection. A clear and able talk on association matters by an up-to-date official at Cedar Rapids

for a man to take his place. Although no fault was found with his work, he had been criticised quite freely by members for his dilatory methods, and it was the opinion of the Time Lock committee and the Executive Council, as well as your officers, that a change would



P. W. HALL

Des Moines, Iowa. Secretary, Iowa Bankers Association

be for the best interests of the Association. After considerable investigation, we decided that F. E. Davenport & Company of Omaha were thoroughly competent and reliable, and accordingly entered into contract with them to take care of the locks of our members for the next five years.

Executive Council

My predecessor, John McHugh of Sioux City, conceived the idea that the executive council stands in the same relationship to the association that the directors of a bank do to a bank. With this in mind, he thought it wise to hold quarterly meetings of the executive council, where all matters affecting the policy of the association were discussed, and a full report of the doings of the officers made. In this I have agreed with him fully, and during my administration, the meetings have been held regularly. There is no question but what these meetings have been of great value, and to make them more effective, we are suggesting to the convention to change the by-laws so that group chairmen will be elected for two years, instead of one, the chairmen from the

odd number Groups to be elected in the odd-numbered years, and the chairmen from the even-numbered groups to be elected in the even-numbered years. The purpose of this is to have an executive council in which half of the members at least will be old members, and familiar with the work the association has in hand. As the council is now constituted, an entire new council is elected each year. The retiring president is the only holdover, and at the first council meeting, which is called immediately after the adjournment of the convention, he is the only one, in addition to the secretary, that has any knowledge of what has been done in the past year.

The practical working of this is, that at the first council meeting, the retiring president usually has to make all the suggestions, whereas, if half of the council were old members and familiar with the workings of the association, it would greatly expedite matters.

Another matter on which you will be asked to vote is the proposition to do away with the appropriation of \$1.00 per member to each group, to pay the expenses of the annual group meeting. During the past year, this has cost the Iowa Bankers Association in the neighborhood of \$1500 and it is the thought of the executive council and your officers that it should be discontinued. We think that the money can be more profitably spent in the protective and educational work which the association is now undertaking. We also think that, even if the groups did need an appropriation when they were first organized, they are now so well established as to make it unnecessary. It has also been customary to contribute \$500.00 to the clearing house of the city in which the annual convention is held, to help pay for the entertainment of the convention. This was started at a time when both banks and cities were smaller, and at one time \$500 did pay for this entertainment. With the great number of delegates that now attend, it is obvious that \$500 can be of very little help in this direction, and it is thought that this appropriation also should be discontinued.

Group Meetings

Every group in the state held a meeting the past year and more interest was shown than ever before. Each meeting was a decided success, and it seems to me that two meetings a year could well be held, with great profit to the attending banker.

The group meeting, as we all know, is the place where experiences are told. Friend meets friend, and the problems of one are simplified by the successes of the other. Competitor meets competitor, and conflict gives way to co-operation. In short, it is the backbone of the association. Inasmuch as our state legislature meets next winter, it would seem advisable for the different group officers to call group meetings to be held next October or November, previous to the convening of the legislature. In this way, matters of legislation, that would be of benefit to bankers, could be discussed, and when the group chairman came to the December meeting of the executive council, he would be in position to outline what sort of legislation his group members

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JAS. A. GRAY, Jr.
Sec. & Asst. Treas.

would favor. Then by a united effort, with all the groups behind them, the legislative committee could accomplish much more than if it were left to make the fight alone.

Probable legislation

The tax commission, appointed by the last legislature, has given the matter of the revision of tax laws of Iowa serious consideration. The commissioners are able men, and have taken up this matter of taxation with open minds. Their thought is to do justice to every interest. Our taxation committee has been before them, and showed them the unfairness of the present laws with regard to the taxing of banks. They were given a very respectful hearing and I have no doubt that the harshness of the present law will be greatly modified, in the recommendation that the tax commission will present to the legislature.

Another statute that the legislature will be asked to rescind is the one prohibiting state and savings banks from loaning on real estate outside the state of Iowa. There is nothing in the law at the present time to prevent them from loaning on either personal or chattel security outside the state, and why the prohibition should be on real estate security, alone, no one seems to be able to discover. This works a great hardship on banks located in counties on the borders of the state, as it restricts their loaning territory very greatly. A concerted effort is to be made to have this changed.

Favors Bank Supervision

The recent suspension of three private banks in our state, together with the agitation for their control, that is now being made in our sister state of Illinois, has brought to the minds of the people of Iowa the thought that sooner or later this question must be faced. Iowa bankers have conflicting opinions on this subject, but deep down in the heart of most of them is the settled conviction that no institution should be trusted with the care of the funds of a community without its being organized and conducted under the banking laws either of the United States, or of the state in which it operates. This subject is not a popular one in bankers associations, as many private banks are members, and the argument used, when state control is suggested, is that the association is not treating them fairly, in taking their money for dues and then using it to fight them. This, of course, is a very weak argument, but it finds some supporters. Another argument of the private banker is that all he asks is to be let alone. That his business is his own, and that he can do with it as he wills. That a transaction between himself and his customer concerns only the two interested

parties, and that the state or nation has no business in saying in any particular how it shall be consummated. Public opinion, however, is gradually settling to the fact, that banking is not a private business. That the use of the name bank has through the course of time come to mean something, and that if the assets of a bank are good, inspection and investigation will not hurt them; whereas, if they are not good, they most certainly need both, very badly. Many private banks are as good as incorporated ones, and as well conducted, but it is a well established fact, that when a private bank does close it does not do so until nothing is left, of any value. In many cases, if it had the benefits of inspection, the same as the organized bank, it would not be allowed to get into that condition and the results to depositors would not be anywhere near so severe.

Wants the Iowa Association on Record

I am in sympathy with the thought that the Iowa Bankers Association should go on record as approving the idea of bank supervision for all institutions doing a banking business in Iowa. I believe that it would be to the best interests of the private banker, and I sincerely hope that the next executive council will arrange to draft a bill, modeled on conservative, but up-to-date lines, and see to it that it is presented to the next legislature. I would not

have it a drastic measure, in the sense of trying to see how tightly the banks could be bound down, but I would have a committee appointed, consisting of national, state, savings and private bankers to draft such a bill, and when introduced in the legislature under such auspices, I am sure it would have no trouble in passing both houses and becoming a law.

My thought is that if the Iowa Bankers Association, or some other organization of like caliber, does not interest itself in this question, outside interests, not over friendly to banking, will, and the results will not be for the best interests of the profession. I believe we should all unite on some measure that will be fair to all, and work for its passage.

Agricultural Development

As Iowa has a larger percentage of tillable land within its borders than any other state in the Union, and as the business of Iowa banks is almost wholly dependent on agriculture, it goes without saying that anything that tends to increase the productiveness of the land is of direct and personal interest to bankers. During the past year or two bankers associations all over the country have been interesting themselves along this line, with the result that so much sentiment has been created, that, this year, almost every state association is giving space to it, on its convention program. It is not the thought of the banker that he can advise the farmer how to run his farm. It is his thought that he can advise with him on matters of organization, and help him to get more closely in touch with the agricultural colleges and receive the benefit of their knowledge, through demonstration work, brought to him, on his own or a neighboring farm. Our association has been fortunate in securing three of the most able advocates of agricultural development in this country to address this convention. They will tell you what improved agricultural conditions would mean for Iowa, and why every banker in the state should be interested, and lend his aid to the movement.

Secretary's Office

Two years ago when we elected P. W. Hall, secretary, to give his whole time to the affairs of the association, we builded wiser than we knew. Much of our success has been due to his untiring efforts, and I congratulate the Iowa Bankers Association on their choice. He has been particularly effective in the protective work, and has saved the bankers of Iowa thousands of dollars, in the fearless and persistent way in which he has pursued and prosecuted the bank burglar. His office is kept in a model manner, and after a year of association with him, and seeing him

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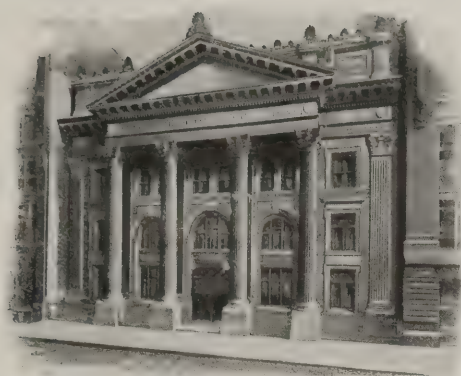
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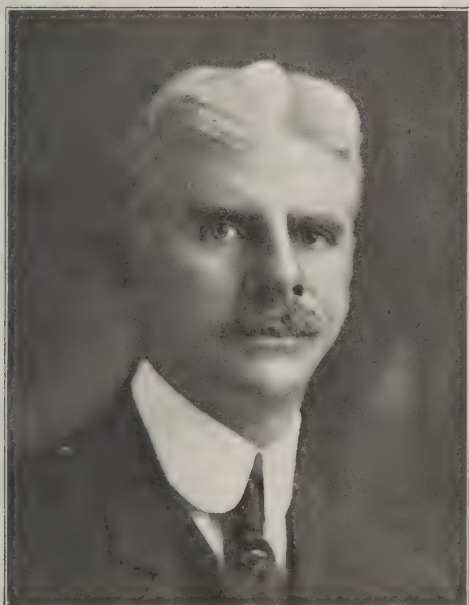
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GEORGE S. PARKER
President Live Stock Exchange National, Sioux City, Iowa

under all conditions, I think it but justice to give him the very highest commendation.

Executive Council

The executive council has done its work well. The members have attended the meetings regularly, and have interested themselves thoroughly in the work of the association. All matters of policy have been carefully discussed with them, and their advice and suggestions always taken. They have given your officers loyal support and encouragement. To me the friendships formed, and the associations made, during my year as president will ever remain, the bright spots in my banking life.

I am deeply grateful to the bankers of Iowa for having elected me to this high position, and trust that for many years to come, I may have the privilege of meeting them each year, as a "private in the ranks," and doing what I can to aid in the work of the Association.

CHICAGO BANKERS ATTEND IOWA CONVENTION

Among the prominent Chicago bankers who left on June 4th to attend the sessions of the convention of the Iowa Bankers Association held in Cedar Rapids on June 5th and 6th are

the following: A. Corneau, assistant cashier of the Central Trust Company of Illinois; J. Fletcher Farrell, vice-president of the Fort Dearborn National; John F. Hagey, assistant cashier of the First National; R. M. McKinney, cashier of the National Bank of the Republic; James G. Wakefield, assistant cashier of the Corn Exchange National; C. R. McKay, head of the transit department of the First National. Mr. McKay was billed for a talk at the convention on the numerical system adopted by the A. B. A.; G. F. Emery, cashier, and A. W. Axtell, assistant cashier, of the Live Stock Exchange National and Henry Meyer, assistant cashier of the National City

PUSHING A. B. A. MEMBERSHIP IN IOWA

During the year that President George S. Parker of the Live Stock Exchange National at Sioux City has been A. B. A. vice-president there has been kept up a continual movement for an enlarged membership list. At last reports Iowa had but a few members to secure to qualify an additional man on the A. B. A. executive council. Mr. Parker in addition to being a successful banker has personal qualities which have enabled him to accomplish this acceptable work for the big association. But one vacancy will occur this year from that state, which comes from the certain elevation of Chairman Arthur Reynolds to the vice-presidency, but an additional member is expected



JAMES E. HAMILTON
Vice-President Merchants National, Cedar Rapids, Iowa

to be qualified by the time the national convention will meet in Detroit. Mr. Parker has had assistance from several ambitious gentlemen patriotic enough to be willing to serve their state on the Big Council.

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Henry S. Henschen, cashier of the State Bank of Chicago, and who has been spending a couple of months in Europe, is expected back in Chicago about June 20th. Mr. Henschen has been spending the greater part of his time in Scandinavia.

URGES PUNCTUALITY AT GROUP MEETING

J. M. Hurst, assistant cashier of the National Bank of the Republic, and chairman of Group 4, desires to impress upon the members of the group that the meeting will be called to order promptly at 11 o'clock on June 11th at Yorkville. Those desiring to attend the meeting should go via the C. B. & Q. on the 8 o'clock train leaving the Union Station.

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Director George E. Allen at Cedar Rapids

Banking in Iowa is superlatively sound and comparatively simple. Agriculture is the foundation of your wealth and you have no overshadowing metropolis to complicate the social and economic conditions of the commonwealth. Iowa bankers as represented in this convention certainly know their business as their business is now conducted, and if the theory is assumed that banking methods and banking men in Iowa will never change, there is no apparent need for any such education as the American Institute of Banking provides. But Iowa bankers will change and so will Iowa banking. There is no better way to learn banking than by years of personal experience such as the leading bankers of this state have undergone, but there is a shorter and more accessible way. Education is mostly acquired through experience, but experience need not necessarily be personal. Students may learn through the experience of others. Indeed other people's experience is the basis of most education. In realization of such conditions, the American Institute of Banking conducts a course of study covering the theory and practice of banking and such principles of law and economics as pertain to the banking business. The aim is to furnish elementary knowledge to thousands rather than advanced knowledge to hundreds or less. The study course contains nothing except what every banker, from president to messenger, must know to achieve or deserve and degree of success. Such knowledge may be obtained in various ways, but the Institute way is the most direct and the least expensive in time and energy and money.

The constitutional object of the Institute is the education of bankers in banking and the establishment and maintenance of a recog-

Headmaster of the educational features of the American Institute of Banking urges the correspondence courses upon junior bankers at the Cedar Rapids convention. A summary of his remarks

nized standard of education by means of official examinations and the issuance of certificates of graduation. To qualify students for official examinations for Institute certificates, which are termed final examinations, the Institute provides a standard course of study in the form of serial lesson pamphlets and collateral exercises. No additional text-literature is required. Such course of study requires at least one hundred hours of class or correspondence work under approved instructors. The first part of the course considers the subjects of "Wealth and Money," "Banks and Banking," "Bank Accounting," "Loans and Discounts," "Stocks and Bonds," "Clearing Houses," "Saving Banks," "Trust Companies" and a final examination reviewing the foregoing lessons in banking. The second part of the course considers commercial law in general and banking law in particular, with special reference to negotiable instruments. The lesson pamphlets pertaining to Law cover the "Laws of Contracts," "Agency and Trusteeship," "Sales and Bailments," "Partnerships and Corporations," "Negotiable Instruments and Their Execution," "Transfer of Negotiable Instruments," "Parties to Negotiable Instruments," "Insolvency and the Bankruptcy Law" and a final examination reviewing the foregoing lessons in Law.

Instruction in the course of study provided by the Institute is conducted in accordance with local and individual circumstances. In suitable cities educational societies known as Chapters are organized and conducted. Elsewhere the correspondence method of instruction is employed. The success of city chapters has conveyed the idea that the Institute is a city proposition and correspondence study is therefore not yet appreciated. City chapters possess the charm of personal association, but correspondence instruction invariably delivers the "goods." In such work each student is supplied with the serial lesson pamphlets and collateral exercises. The exercises in connection with each lesson are submitted to instructors whenever done. The work of students thus produced is corrected and returned with such criticisms and suggestions as may be helpful in each case. Average students get little benefit from books alone. What most of them need is a teacher to direct and encourage them. The usefulness of a teacher is not so much to impart specific information as to stimulate the ambition and interest of students and to systematize and verify their work. Institute text-literature thus provides educational food. Examinations are the process of digestion. The mind as well as the body requires exercise and the student who ducks or dodges examination is like the dyspeptic who bolts his food or the athlete who side-steps his training. To shirkers of work and bluffers unwilling to have their work tested the Institute offers nothing but the satisfaction of being in good society. To young bankers of ambition, persistence and system, however, it paves the way to success otherwise unattainable.



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Early Banking History of Kansas by G. W. Martin

PART III

The first bank in Junction City was opened by Hale & Kirkendall about May 1, 1866. The name soon changed to Hale & Rice. It came to an end in a very peculiar way. In March, 1868, a contractor named Rawalle at work on the construction of the Kansas Pacific came in on the train after banking hours with \$15,000 on his person. He desired to leave it with the bank. The time lock on the inside of the safe had been closed for the night and it was concluded to put the money inside the outer door. In the morning the outer door of the safe was open and the \$15,000 gone. The banker's residence, it was alleged, was entered in the night and the key taken from the banker's pantaloons. It spread suspicion and ruin and was a mystery which worried the community for years and is still unsettled.

The firm of Streeter & Strickler at Junction City were very heavy contractors with the government for freighting and such supplies as hay and corn. Hundreds of men living on the plains were in the employ of this firm. It was on the eve of the winter of 1863 or the winter of 1864 that Streeter & Strickler had accumulated about \$200,000 of government vouchers. Strickler went to Leavenworth to get the money (government greenbacks now). A combine had been formed to squeeze him out of a very respectable shave. After several days resistance he returned to Junction City without the money. This spread consternation along the border, as all had some interest in the matter and badly needed their pay. About seventy-five gathered one day in front of the Streeter & Strickler store. Strickler appeared on the steps to make them a talk. He told them the story of the combine at Leavenworth and begged them to give him time to beat it, assuring them that in addition to the squeeze

Prepared for the Kansas Bankers Association by the secretary of the state Historical Society. Will be printed in the Chicago Banker in three parts

at Leavenworth, a squeeze at home would ruin them all. He invited them all in to examine the paper he held against the government. After being satisfied that the firm had



KENT C. FERMAN
Cashier Cedar Rapids National, Cedar Rapids, Iowa

the stuff the crowd proposed that if they could have some winter clothing they would wait. The next morning Strickler was on the stage for Leavenworth. He shipped \$10,000 worth of clothing to Junction City and handed it over the counter as fast as it could be carried away. In a few weeks the trouble at Leavenworth was over and everybody got their pay. The firm of Streeter & Strickler was a great one, covering about all the plains. They were not very prudent, but quite useful, exhibiting the general utility demanded of all successful business men at that time. They are supposed to be the first to use the word, "Everything." The Democrats made three failures in establishing a newspaper in the town. This firm asked the Democrats to stand aside and let the Republicans try it. The Democrats did so, and were always afterwards fair and loyal to the enterprise, and I was carried on the payroll as a clerk in the sore while setting type and making a newspaper. Another republican merchant in the town likewise furnished a second printer. This lasted two years, when the paper was placed on its own feet. A joker from the East settled near Solomon and, struck with their advertisement "everything," in a very formal manner ordered a \$1,000 bull. The firm very seriously reported that they were out of that line of bulls but expected to have one any day. They telegraphed to Illinois for such a bull and in a few days it was delivered at Solomon. The man who attempted the joke was equal to the occasion, took the bull and paid for it. The firm occasionally differed on local matters, and in one city election both took money from the same till drawer to spend against each other. The man who settled their business told me that their books showed over \$3,000 a year charged to charity. Streeter & Strickler in the early days of the war issued a great quantity of



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CAPITAL ONE MILLION DOLLARS



scrip, which the soldiers would use for lighting their pipes; which I suppose entitles them to this mention in a banking paper. They served their time well.

The present Kansas banking law was passed by the legislature of 1891. The first bank commissioner was Charles F. Johnson of Osaloosa, 1891-1893; then followed John W. Briedenthal of Chetopa, 1893-1900; Morton Albaugh of Kingman, 1901-1904; William S. Albright, Leavenworth, 1904-1905; John Q. Royce, Phillipsburg, 1905-1908; William S. Albright, 1908-1909; Joseph N. Dolley, Maple Hill, 1909. The first call for a statement from the banks under the supervision of the banking department was made October 13, 1891. At that time there were four hundred and fourteen state and private banks reporting. According to the first statement there were in the banks deposits to the amount of \$15,773,438.82. The last call, April 2, 1912, shows that there are 896 state banks in Kansas, holding deposits amounting to \$102,128,200.44. February 20, 1912, there were 210 national banks in Kansas, holding deposits on that date of \$83,632,548.48. January 31, 1912, there were 238 postal savings banks in Kansas with nearly 5,000 depositors and holding \$310,000. This makes a total of cash on hand of \$186,070,748.92. On April 18, 1912, twenty-five banks in Kansas City, Missouri, held deposits amounting to \$125,833,980.41. Inasmuch as Kansas City was fifty years ago a portion of the same unbroken prairie as Kansas, and a large per cent of her deposits are undoubtedly Kansas money, this makes a grand total of \$311,904,729.33. Wonder what the early day friends whose banking seemed to be interminably mixed with freighting and contracts, mules and oxen would think of this showing.

But in this latter day flow of money made possible by the right conclusion of the contest carried on in Kansas, we seem to be out wholly and absolutely. I have always had a great interest in the denominational schools of Kansas, and at one time was quite familiar with the difficulties of the managers in keeping them going. A few years ago I called attention to the fact that for a period of four years I watched the benefactions usually published at the end of the year. Beginning with the year 1899 there was given to schools, colleges, churches and charities in the United States a sum each year ranging from \$79,749,956 to \$123,888,732, and not a dollar to Kansas. I protested vigorously against this condition but was very shortly squelched by the newspapers with the statement that Kansas

was able to take care of her own. This is not begging but a thoroughly established system by which rich men contribute of their surplus to the public good. Kansas has made a great showing, not only in prevailing over war and



W. G. C. BAGLEY
Mason City, Iowa. Treasurer Iowa Bankers Association

pestilence, but in liberally providing for her own. But there is room for much more than we can do. I advanced the idea that we are not in this latter day distribution because we are such a lot of braggarts and blowhards that we give a real millionaire the blues, and

for this I was charged with treason. These great gifts in the country throughout the year continue to go where there already are millions and to be quite neglectful of Kansas. Our constant and extravagant boasting has closed this door against us.

The money question in Kansas was in remote years reckless and somewhat discreditable. Most everybody will recall the sign "Money to Loan" decorating the shop of some fellow who was not trusted at home with a beefsteak, and who let the money out because of the extent of commission, and not from any honest business judgment. Many homesteaders and pre-emptors, as soon as they completed their title, would place a mortgage on the land for all some conscienceless agent would give, and then skip, and thus Kansas' credit was greatly injured.

But the question: "What is the matter with Kansas?" is still with us and with no satisfying solution. This is an important gathering representing a great interest, and may understand this condition. We are not growing in population. Thousands and thousands of people have passed us for worse locations. The year 1909 gave us a gain of 50,692 over 1908. But 1910 shows a loss of 16,844 from 1909, and 1911 a loss of 4,332 from 1910. Counting the birth rate on the side of gain, this shows a very serious loss. And it is unfortunate that Commissioner Dolley's anti Blue Sky scheme could not be extended to protect our own peo-

GUARDIAN TRUST COMPANY OF NEW YORK

Invites the accounts of banks, trust
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F. E. FARRELL Established 1864 **E. E. CRABTREE**

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	Peoples Savings Bank & Trust Co. Capital and Surplus \$400,000.00 Deposits over \$3,200,000.00 Solicits Accounts and Collections from Banks, Firms and Individuals on Favorable Terms WM. BUTTERWORTH, Pres. NELSON H. GREENE, Vice-Pres. and Cash. R. C. SHALLBERG, Asst. Cash.	
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**Fidelity and Forgery
BONDS**

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Joyce & Company
(Incorporated)

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RESOURCES
\$4,000,000.00

ESTABLISHED
1864

OUR PAR LIST

The First of Joliet believes that it has the most complete par list in America. Have you seen it?

BANK ACCOUNTS SOLICITED

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To Net 5½ to 6 per Cent

WE own and offer **First Mortgage Bonds**, based on the highest class of improved, income-producing, centrally located Chicago real estate, the total loan never being more than 50 per cent of the value of the security. We have sold such bonds to many banks, insurance companies, trust companies and trustees of estates in all portions of the country. **¶** No investor has ever lost one single dollar of principal or interest on any security purchased of us in the thirty years we have been mortgage and bond bankers in Chicago. **¶** Securities purchased of us are readily convertible, since it is our established custom to repurchase bonds or mortgages from clients when requested, at par and accrued interest, less the handling charge of one per cent. **¶** Write for *The Investors Magazine*, published twice a month.

SEND FOR SPECIAL CIRCULAR No. 50

S.W. STRAUS & Co.
INCORPORATED
MORTGAGE AND BOND BANKERS
ESTABLISHED 1862
STRAUS BUILDING, CHICAGO.



NATIONAL BANK OF COMMERCE IN NEW YORK

is prepared to transact all branches of domestic and foreign banking. Accounts are solicited from banks, bankers, firms, corporations and individuals, who may rely upon courteous consideration and the very best terms that are consistent with good business methods. Correspondence is invited. Capital, Surplus and Undivided Profits over \$40,000,000.00



ple who have invested and those who are leaving, against the swamps of Florida, and the mesquite, cactus, sage-brush, alkali and orange ranches of the southwest. History is said to repeat itself, and the sucker of to-day is easier than the sucker of territorial days who bought town shares. But, Mr. Dolley is not omnipresent nor is he the personal guardian of each individual, and so gossip about a month ago had much to say about \$28,000 leaving Topeka and going into a hole as certain as the descent of the Titanic. Untold thousands have gone out of Kansas in this way—how can we stop this waste? It was Theodore Parker who said Kansas would have two million population in 1900. The greatest need of the hour is to get Kansas out of the fool column. I spent seven weeks in July and August, 1911, on the Pacific coast from Seattle to San Francisco. What do you suppose was the style of news found in the associate press reports from Kansas? Two and three times a week there would be mention of the Mayoress of Hunnewell, with whom the city council would not meet, and the woman in Iola who could not work on the rock pile because there were no bloomers in town to fit her. The only legitimate news I found in seven weeks was a three line item announcing the death of Congressman Mitchell. I remember the statement of Bank Commissioner Dolley that, during the American Bankers Association convention in New Orleans, the principal topic in the variety shows was the Kansas tar party. State Auditor Davis was in various parts of the East for a week at that time and all the news he saw from Kansas was about the tar party. Last fall there was a half-baked tramp called the "Kansas poet" down in New York, said to be representing the literati of Kansas, acting as affinity to another man's wife. This loafer averaged half a column two or three times a week in the associated press, even telling us how they went out in the brush to live over in Jersey, to commune with nature. And when the woman shook him for another affinity the world was given a formal announcement by

telegraph. Now, please watch this and I think you will come to my conclusion. A rag picker was driving along Minnesota avenue in Kansas City, Kansas, and some one on the sidewalk made a remark which offended him. He replied: "I am not as big a fool as I look; I have \$200 in the bank." So Kansas is not as big a fool as she looks; she has \$186,070,748.92 in the bank and \$2,777,073,762 of taxable property.

Some people are so enthusiastic that they can see only their own side of a controversy. It has been my practice all my life before engaging in any scheme or fight to figure on what the other fellow could do. We have always indulged in some very remarkable agricultural advertising, all of which has been correct, and the best we could do; but what is the other fellow doing? I had an eye-opener recently from the very modest state of Nebraska, whose officials recognize the superiority of Kansas over Nebraska only in the art of advertising. According to the comparisons made by the friends in Nebraska we may have

found the answer to the conundrum, "What is the matter with Kansas?" in the condition of the advertiser who put up a great talk and failed to show the goods, and was caught, as is shown in our stand-still or loss of population. The State Board of Agriculture of Nebraska issues the following:

"Kansas raised more wheat than did Nebraska last year (1911), but Nebraska raised more bushels per acre. Kansas raised more barley than Nebraska, but Nebraska over twice as much per acre." The above are the only products of consequence in which Kansas raised a larger quantity than did Nebraska, and it shows that with the same acreage, Nebraska is far ahead of the Sunflower state from every standpoint. Nebraska raised about seven bushels of corn per acre more than Kansas. Nebraska raised more oats per acre than did Kansas. Nebraska raised more rye per acre than did Kansas. Nebraska raised nearly twice as many bushels of potatoes to the acre as did Kansas. Nebraska raised eleven more bushels of flax to the acre than did Kansas. Nebraska raised five more tons of sugar beets to the acre than did Kansas.

"Kansas produced an average per capita value of her agricultural products of \$167.32 last year. Nebraska produced a per capita value in agricultural products of \$277.75. Kansas produced from her agricultural acres wealth to the amount of \$11.28 per cultivated acre. Nebraska went her better by producing \$25.47 per cultivated acre. Kansas produced from her total agricultural and live stock industry \$316.00 per capita. Nebraska produced from her total agricultural and live stock business \$451.00."

The Nebraska friends claim that with less than two-thirds the population of Kansas and about one half the cultivated acreage of Kansas, Nebraska in 1911 obtained \$64,668,790 more from crops and live stock than did Kansas. Now if these figures are true what is the matter with our acres? Our people work as hard as any other people. If the Nebraska (Continued on page 21)

GRAHAM & SONS

Bankers

Steamship & Agents
Insurance
Established 1857

Interest on Deposits—Accounts solicited
Money to Loan on Real Estate

Open Evenings—Hours 9 a. m. to 9 p. m.
661 WEST MADISON STREET, CHICAGO

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

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HERMAN F. WOLF, 2nd Vice-President
L. G. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
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Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

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FRED. C. BEST, Secretary
CARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

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Patrick Cudahy
Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith



BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

Many a familiar face is missing in the different Milwaukee banks this week, the owners being engaged in migrating through the state on the Merchants and Manufacturers Association special over the Milwaukee road. The behavior of the banker contingent among the hundred Milwaukee business men who make up the party will remain a matter of conjecture until the delegation returns on Sunday night to give the stay-at-homes a detailed account of the trip.

Socialist Savings Bank

A brand new enterprise, a socialist savings bank, will take its place among Milwaukee financial institutions during the month of July. While the institution is not a party enterprise, in the strictest sense of the word, as for instance, the Milwaukee Leader, the socialist daily, the incorporators are almost without exception leaders in the socialist movement in Milwaukee. The bank will be known as the Commonwealth Mutual Savings Bank of Milwaukee and will be housed in the center of the present financial district on East Water Street adjoining the new home of the Marshall & Ilsley Bank on the north. C. B. Whitnall, former city treasurer, will be in active management. It is announced that a meeting of stockholders will be held within ten days, when officers will be elected and final preparations made for an opening. The new institution will handle no checking accounts, transacting all business on a savings basis. The

incorporators, of which there are fifty all told, include: Henry Campbell, William J. Alldridge, Joseph Mesiroff, J. J. Handley, J. H. Vint, Frederic Heath, F. W. Rehfeld, Richard Elsner, Paul Smith, Martin Plehn, W. R. Gaylord, Edmund T. Melms, L. A. Arnold, William A. Arnold, Daniel W. Hoan, Harry E. Briggs, Harvey Dee Brown, Carl D. Thompson, J. C. Kleist, and C. B. Whitnall. Three-fourths of the incorporators are or were socialist city or county officials.

Milwaukee Notes

A recent newspaper report credits Milwaukee banks with thousands of dollars in dormant savings accounts whose original owners have long since disappeared, leaving amounts which have assumed considerable proportions over a long period of years.

The Northern Trust Company of Chicago, which has been operating in Milwaukee, filed notice of withdrawal from this city on Friday.

The special sleeper idea appealed so strongly to the Milwaukee delegates to the meeting of Group 6, W. B. A., at Antigo last week that

arrangements have been made for another special to the meeting of Group 3 at Shawano, leaving Milwaukee on the night of June 11th.

The Wisconsin Trust Company offers for deferred delivery the unsold balance of \$365,000 City of Milwaukee 4½ per cent bonds, due January 1, 1913, to 1932, the entire issue of which was taken over by the institution. The company also is boosting in the Milwaukee market the Pacific Power and Light Company first mortgage 5 per cent gold bonds.

To acquaint the public with its methods of encouraging crop improvement, the Milwaukee Chamber of Commerce has issued a general invitation to a meeting on the pit floor next Monday, at which Prof. R. A. Moore, head of the agronomy department, University of Wisconsin, and J. C. Murray, chairman of the grain improvement committee of the Council of North American Grain Exchanges, will be the principal speakers. The meeting will be the first of its kind ever held in Milwaukee.

Sheboygan Bank Will Reopen

The German Bank of Sheboygan which was closed and placed in the hands of the state bank examiner two weeks ago will reopen on June 25th, according to State Bank Commissioner A. E. Kuolt, who said that half a million dollars in stock will be placed. Pending the investigation of the affairs of the Sheboygan institution, the Bank of Ironwood, Iron-

American National Bank Louisville, Ky.

Capital and Surplus, \$1,000,000

LOGAN C. MURRAY, Pres.
CHAS. C. CARTER, Asst. Cash.
R. F. WARFIELD, Cashier
F. L. MOSELEY, Asst. Cash.

Unsurpassed Excellence of Service for Collections



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital - - - \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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JOHN CAMPBELL, Vice-President	J. H. PUELICHER, Cashier
F. X. BODDEN, Assistant Cashier	H. J. PAINE, Assistant Cashier
G. A. RUESS, Mgr. South Side Branch	S. H. MARSHALL
J. H. TWEEDY, Jr.	R. N. McMYNN
GUSTAV RUESS	C. C. YAWKEY

wood, Mich., has closed its doors. The two institutions were closely allied and, following a run of \$30,000 on the Michigan bank, business was suspended indefinitely, tying up municipal and public school funds. The institution carries deposits of \$367,640 and it is said that its closing may seriously hamper local financial affairs.

State News of Interest

The meeting of Group 6, W. B. A., at Antigo last week resulted in the election of the following officers for the ensuing year: President, W. N. Raymond, Merchants State Bank of Rhinelander; vice-president, F. P. Werner, Bradley Bank, Tomahawk; secretary-treasurer, Edward Krembe, Citizens National Bank, Merrill.

LAKE COUNTY BANKERS ORGANIZE

The banks of Lake County held a meeting on June 4th at the Deer Path Inn, Lake Forest, for the purpose of effecting a county federation. Out of the eighteen banks of the county fourteen were represented in the attendance. The bankers were tendered a luncheon, and after the meeting they were given an automobile ride through the residence district of Lake Forest. C. F. Wright, of Libertyville, was elected president of the organization; Frank W. Read of Lake Forest and Clarence E. Smith of Waukegan respectively were elected vice-president and treasurer, and Duncan G. Bellows of Zion City was chosen treasurer. Various matters of interest to bankers, such as the handling of collections, overdrafts, and other subjects which need uniform action and co-operation were discussed. A resolution was passed providing for the annual meeting of the federation on the third Tuesday of May. Another meeting is to be held within a few weeks, and in the meantime the secretary is to communicate with the four banks not represented at the meeting, so that all of the banking institutions of Lake County will be represented at the next meeting. F. W. Woodruff, vice-president of the First National at Joliet, spoke on the advantages of county federations and assisted in the work of organization.

NEW CHICAGO BANK AT ENGLEWOOD

The West Englewood State Bank, capitalized at \$200,000, recently has opened for business.



ALBERT S. HATCH
President Merchants Bank, Augusta, Georgia

GROUP 8 AT JACKSONVILLE

The Hon. Andrew Russel, nominee of the republican party for state treasurer, welcomed the bankers to the Jacksonville meeting of Group 8, and the Hon. T. S. Chapman of Jerseyville made the response. These two talks and the routine proceedings of the meeting lasted until 12:30, when dinner was announced at the Country Club, at which place the afternoon session was held. There was, besides the address of R. W. Bonyngue of Colorado,

an address on the "Improvement of Rivers and Harbors" by Thomas Wilkinson, president of the Upper Mississippi River Improvement Association, Burlington, Iowa, and another on "Good Roads, their Cost and Value," by Homer J. Tyce of Greenview, chairman of the joint committee on county and township organizations in Illinois. After the adjournment of the afternoon session there was a buffet luncheon served at the Country Club. There also was an evening session at which local questions were discussed by those present. Among the distinguished visitors from out of the group district, in addition to those from Chicago already mentioned as having departed on a special train, were George Woodruff, president of the First National Bank of Joliet, and S. E. Bradt, head of the good roads committee.

GROUP 8, INDIANA

At Princeton, Indiana, on June 7th a special train on the Southern Railway carried the delegates to the group meeting held in that city around the Southern Belt Road on an inspection trip through the shops of the Southern Railway. G. M. Howser, master mechanic of the road, conducted the tour. Arriving at the fair grounds at 2:30, the speaking program was opened by Prof. William B. Scott of the University of Wisconsin, who was followed by William G. Edens of Chicago and "Dick" Miller of Indianapolis. Dinner was served at the Elks Club.

SUES ON BANK BOND AT MACON

Suit has been entered by the Citizens Bank of Macon, Mo., against the United States Fidelity Guaranty Company of Baltimore to recover \$10,000 on the bond of Lon Hayner, cashier of the bank at the time of its suspension and to whose incompetency and irregularities are attributed the embarrassment of the bank. It is charged that the bond was given as a guaranty for the faithful performance of his duties as cashier during the term of his office, and that, through his injudicious loans, manipulation of books and papers and irregularities in various transactions, the bank was forced to suffer a loss of more than \$18,000.

T. Severson, bookkeeper for the First National at Lake Mills, has accepted the position of cashier for the Tagus, N. D., bank.

EXTENDED TOURS TO YELLOWSTONE PARK

Twice as long in park as the regulation tours

Leave Chicago
July 2nd and 19th,
and August 10th.
All Expenses,
including Standard
Pullman Sleeping
and Dining Cars.



Entire Coaching
Tours in Special
Chartered Stages,
all Side Trips,
Select Clientele,
Private, Exclusive.

THE AMERICAN TOURIST ASS'N
1418 Marquette Building CHICAGO



MECHANICS-AMERICAN NATIONAL BANK

OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

JACKSON JOHNSON, Vice-Pres.
FRANK O. HICKS, Vice-President

EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, June 5.—Absolutely nothing new, according to St. Louis bankers, occurred to mark the past week in the local monetary situation. With some of the banks a fair amount of borrowing activity was reported, while elsewhere there were complaints of much quietness. However, there has been no campaign to stimulate borrowing, as at this particular season St. Louis financial institutions begin to make ready for the fall crop movement, and already a decided preference is being shown for commitments of ninety days and under. It is observed that only the choicest names or inducements in the way of higher rates will coax out funds for long time. The competition for loans maturing on and before September 1st has had a tendency to soften the market somewhat, while firmness exists on everything beyond that date. The more pessimistic gentlemen hold the political situation up as the chief dark cloud in the horizon. They hold that things can not pick up until after the election, and even then they may not revive if the result is a certain way. In fact, they seem to think that it is bound to be a "certain way" no matter which party is victorious. Merchants and big corporations, it is argued, are unwilling in the present uncertainty to do much, and the hand to mouth policy of the past weary months must continue for an indefinite time. On the other hand, the hopeful say that the election, regardless of how it goes, is sure to have a tranquilizing effect. No one man can work damage to the country, especially with the present mixed layout of congress. A decided revival is looked for when politics are out of the way. Meantime, however, in spite of the pessimistic talk there are numerous signs of activity, principal among which is the bank clearings. For last month total clearings for St. Louis were \$350,325,543, a gain of approximately \$35,000,000 over the corresponding period a year ago. Another hopeful factor is the crop outlook. The past ten days have increased the improvement in all crops, weather having been ideal, despite reports of the hired crop killers to the contrary. The Missouri state report for May was ultra optimistic. It showed an improvement in the condition of wheat, and excellent progress for corn, with an increased acreage in the latter cereal. Other crops of all kinds, especially fruit, will in instances show record yields.

B. F. Yoakum Optimistic

B. F. Yoakum, chairman of the board of the Frisco, who passed through St. Louis after an extended trip through the Southwest, is extremely hopeful both of the crop and business outlook in that region. "For those who have seen," said Mr. Yoakum, "there is little doubt

as to the promising condition of the crops. I found people of the Southwest too busy looking after their own interests this year to be much interested in politics, despite the unusual developments and issues in that line. The population seems satisfied to devote their attention to matters nearer home. Not in years have I found as few dark spots in the Southwest as on this trip. The crops are fine, and business is going to pick up in a short while. The railroads are making big preparations to handle the crops, and Texas farmers are feeling mighty gratified over the prospects. I believe that after the elections we will not only see a return to normal or better in regular business, but the beginning of much new enterprise."

Believed in St. Louis Banks

Joseph Campbell, president of the State Bank of Rolla, Mo., who died last week, was a firm believer in the future of St. Louis financial institutions. He was a heavy holder of St. Louis bank stocks, most of which were purchased way below their present market values. Mr. Campbell was a native of Ireland, but came to this country as a boy, settling in Rolla. He took a prominent part in early railroad building in Missouri, and was founder of the Rolla Bank. He retired from active business several years ago, and spent his time traveling, maintaining headquarters at the Mississippi Valley Trust Company in this city. His large estate is left to his sons and daughters, and his will provides that it shall be held in trust for the men until they are forty years old.

Living Cost Advancing

According to a digest of trade conditions issued by the National Bank of Commerce, the cost of living has increased nearly 4 per cent during the past four months. The average price of all commodities continues to advance, and this region is experiencing the highest commodity prices for more than a generation. On the other hand, the report states, the wage

increase in the same period has almost offset the price of articles. An important feature in the situation is the quickening of the building industry, especially in the smaller cities. In general, it is pointed out, the best business conditions are to be found in the extreme East, the Southwest and the far West, while throughout the Central West the quietest zone is to be found.

Cotton-Seed Men Gather

The Interstate Cotton-Seed Crushers Association, comprising all the cotton-seed oil mills of the United States, refiners of cotton-seed oil, soap makers and firms that supply the oil-mill trade with machinery and supplies, held its sixteenth annual convention here this week. The meeting was attended by about 700 delegates, and was the most successful in the history of the association. All told, concerns representing an investment of something like \$200,000,000 were represented. Delegates were as a rule rather optimistic relative to their industry and business generally. They have little to fear from politics or the tariff, but say that the political unrest has a depressing effect on their industry, along with its harmful effect on general business. The consensus of opinion was that present indications are for a large cotton crop this season, though it is a bit early to prognosticate at this time.

Big Treasury Balance

There were \$4,505,120 in the Missouri state treasury at the close of business on May 31st, which is the record sum ever controlled by the state, although this total was nearly reached back in the '80's, when the old Hannibal & St. Joseph Railroad paid in \$3,000,000 at one time, that being credit the state had loaned when the railway was being started. Of the balance now, \$728,998 belongs to the revenue fund; \$1,796,839 to public schools and \$213,598 to good roads funds. Automobile license receipts total \$105,927. Incidentally the state treasurer's books show that Missouri received \$12,375 in interest on the state's deposits in banks in May. This is the greatest amount ever received in a single month.

Five Years for Bank Clerk

Andrew C. Taylor, formerly teller of the Third National, pleaded guilty to the theft of \$9,594, as charged in federal indictment, and was on Monday sentenced by Judge Dyer to five years in the penitentiary. Taylor is little more than 21 years old, and has been married five months. On account of these considerations the minimum punishment was imposed.

St. Louis Stock Market

Transactions on the local security mart do not reflect great buying activity, but the mar-

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

United States Government Depository.

The National Stock Yards National Bank
National Stock Yards - Illinois

UNCLE SAM IS HARD TO PLEASE.

Are you the same? Then next time you go to *St. Louis*, test the quality of *C. & E. I.* service. It's the route that takes the mails.



C. & E. I.

(Chicago & Eastern Illinois R. R.)

To St. Louis



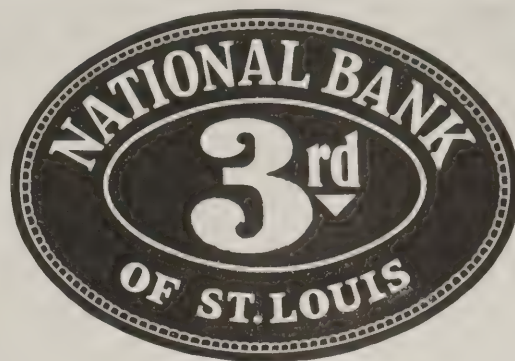
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TICKET OFFICES:

108 West Adams Street
Tel. Har. 5115. Auto. 52377

La Salle Street Station
Tel. Har. 1408. Auto. 53495

A. B. SCHMIDT
Gen'l Agt. Passenger Dept.



CAPITAL
\$2,000,000

SURPLUS
\$2,000,000

DEPOSITS
\$35,000,000

C. H. HUTTIG	-	-	President	T. WRIGHT	-	-	Vice-President
G. W. GALBREATH	-	-	Vice-President	R. S. HAWES	-	-	Vice-President
J. R. COOKE	-	-	Cashier	H. HALL	-	-	Assistant Cashier
D'A. P. COOKE	-	-	Assistant Cashier	E. C. STUART	-	-	Assistant Cashier

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ket here holds extremely strong, and there is a good investment demand for both stocks and bonds. Bonds, especially, have had ready takers, with traction issues receiving most attention. Bank and trust company stocks have been firm for the most part, with good advances in spots. Mississippi Valley Trust has had a rise, selling at \$320, the highest figure touched since 1907. There has been quiet buying of financial issues, that list offering numerous bargains at present levels.

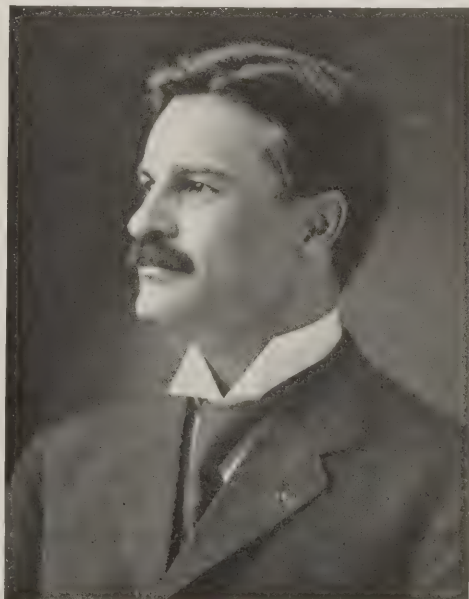
CHICAGO AND PUJO COMMITTEE

The Chicago Clearing House Association has received from the Pujo committee, which is conducting an investigation into the New York "money trust" and the banks of the country, a series of questions to be answered and returned to Washington. The object of the inquiry appears to be to ascertain the extent of the authority which the clearing house committee exercises over the banks with reference to their business conduct and also the power which the committee has to admit or reject members.

Answers to the questions are being prepared and will be forwarded to Washington. It is understood also that the clearing house committee has no objection to sending a representative to appear before the Pujo committee and set forth the operations and extent of authority which the committee exercises. Chicago from the first has treated the inquiry as of serious intent and the committee with the greatest courtesy. The committee began hearings in New York on Thursday, owing to inability of some of the witnesses to go to Washington.

GROWING DAVENPORT BANK

President Albert F. Dawson and his hard-working cashier, L. J. Yaggy, are being congratulated on the growth of deposits as shown by a recent statement of the First National of Davenport. The gain in twelve months has been from one and one-half millions to two millions, and 40 per cent increases in deposits within twelve months are rare—even in Iowa. President Dawson, as everybody knows, served six years in congress from the second



A. F. DAWSON

President, First National, Davenport, Iowa

Iowa district, and has applied the same energy and forcefulness to the banking business that he did to his congressional duties. His time has been encroached upon considerably, owing to the never-ending demand for his services as a public speaker. He has addressed gatherings of business men all over the state, and attended several group meetings where he was on the program. His familiarity with financial legislation at Washington enables him to speak effectively on what to many bankers are difficult subjects.

The First National of Davenport enjoys the distinction of having been the first bank of its kind in operation in the United States under the national banking act. For forty-nine years it has occupied the same busy corner in Davenport, and two years ago erected a handsome six-story building of its own on this location. Its earned surplus exceeds its capital stock, thus putting it in the front rank of the strongest commercial banks in Iowa.

SUPERIOR, WIS., BOOMER

A. J. Wentzel, cashier of the United States National Bank at Superior, Wis., speaks in glowing terms of the growth and development of his home city. He is very enthusiastic about the steel plant which recently has acquired a large acreage, intending to build a belt line and to locate subsidiary plants thereon. Mr. Wentzel is very much interested in the agricultural committee of the American Bankers Association. He is chairman of the publicity committee of the Commercial Club of Superior, and always takes a deep interest in public questions and matters tending to promote civic welfare.

Editorial Comment

MORAL SUPPORT FROM IOWA

President Edward J. Curtin of the Iowa Bankers Association, in his annual address at the Cedar Rapids convention, came out strongly in favor of bank supervision and requested the Iowa association, which is the largest in point of numbers, to go fairly upon record on the subject. Mr. Curtin is among the very first to advance unqualifiedly this doctrine in a state where the private bankers are entrenched almost as strongly as they have been in years past in the state of Illinois. In presenting the subject Mr. Curtin said:

"The recent suspension of three private banks in our state, together with the agitation for their control, that is now being made in our sister-state of Illinois, has brought to the minds of the people of Iowa the thought that sooner or later this question must be faced. Iowa bankers have conflicting opinions on this subject, but deep down in the hearts of most of them is the settled conviction that no institution should be trusted with the care of the funds of the community without its being organized and conducted under the banking laws either of the United States or of the state in which it operates."

Mr. Curtin was aware of the prejudice that exists in banking organizations against the bringing up for discussion of such topics, partly for the reason that the bankers are sensitive about condemning the methods or practices of their fellow bankers. This especially is true when the fellow banker is a fellow member of the state association and contributes to its support and protective work along with the state and national banks. President Curtin, however, waved all of this sentiment aside and pronounced boldly in favor of state supervision, asserting repeatedly that "banking is not a private business." Neither would he have the name "bank" used by any but authorized banks. "If the assets of the bank are good, inspection and investigation will better rather than injure them; if they are not good, the sooner they are made good or put out of business the better for the state," is one of the arguments advanced by Mr. Curtin. He does not believe that depositors should be allowed to suffer complete loss as so frequently happens when a private bank fails. Not being under inspection, the private banker can continue in business until either he has lost all or has been given time to make his escape to a friendly country.

President Curtin demanded of the members of the association that they go squarely upon record and instruct the next executive council to draw a conservative banking bill and present it to the next legislature. He did not favor a drastic measure by any means, but called attention to the fact that the public has been aroused as never before and that if the bankers do not prepare and offer for passage a bill which will meet the requirements of the public, a much more drastic measure will likely

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

be forthcoming from some other source. Now that Illinois and Iowa practically have joined hands in this matter, there will remain no "open territory" for private banking in any of the states of the Middle West. If these two great farming communities put their seal of approval upon universal supervision and inspection of all forms of banking it will make easier work for the uniform law commissioners and for the American Bankers Association committee on universal banking laws when their measures are ready for the legislatures.

JOINING THE PROGRESSIVES

The great state of Georgia, so far as her banking interests are concerned, has decided to join the progressives in association matters by employing a paid secretary, who will open permanent state headquarters. This new movement has been held back in a number of states owing to the fact that some competent banker was willing over a period of fifteen or twenty years to devote his time to looking after the detail matters of association work. In some cases the old secretaries grudgingly gave up the position owing to its associations, and in some cases owing to business opportunities which it brought about. L. P. Hillyer is considered one of the ablest bankers in the South. For twenty years he was secretary of his state association, and devoted a marvelous amount of his time to conducting it properly. His great ability as a public speaker put him in demand everywhere, and those who have heard him recite "When Bryan Came to Butte" never will forget it, neither will they willingly ever miss an opportunity to hear it again. Elsewhere in this issue of THE CHICAGO BANKER will be found in part Mr. Hillyer's valedictory at the close of his long engagement. It is well worth reading and contains an inspiration for other states, which, no matter how efficient their present arrangement, will greatly benefit by having a secretary whose full time will be at their command with permanent headquarters established. In the case of Mr. Hillyer he was elected unanimously to be first vice-president of his state association, and next year will be made its president. There comes a time in the history of each state organization when its growth and the growth of its secretary demand a change,

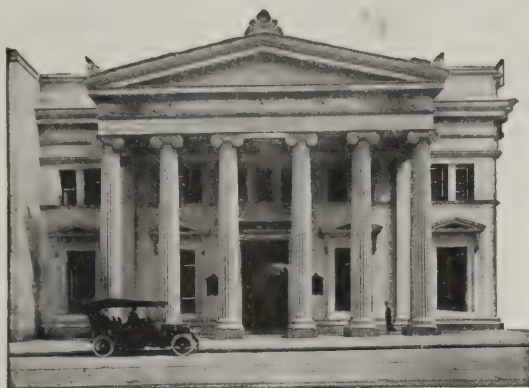
The modern up-to-date method is to have a paid secretary who has been trained and educated along secretarial lines. He must understand insurance, bonding, purchasing, and have considerable executive ability. Economical ideas soon tell in the administrative affairs of the office. Few bankers having the capacity for the position really have the time to spare from their other duties to conduct the association matters properly. The time has come when no state long will be satisfied with less than 100 per cent efficiency in its organization. Missouri already has reached that point and a number of other states are pressing forward to divide the honor. It has been predicted that the new secretary for Georgia—Haynes MacFadden—will not be the last to reach that point of efficiency which is the dream of every state secretary.

SHORT AND TO THE POINT

Secretary P. W. Hall has shown possession of "the masterful hand" in preparing for the big Iowa convention held at Cedar Rapids this week. He presented a very fine list of speakers—probably the best to be obtained for the week in which the meeting was held. He had the tact and good judgment to prevail upon them to present short papers. Attention is called to two of them reprinted in this issue of THE CHICAGO BANKER. For conciseness of phrase and purity of logic it is doubtful whether anything read at a bankers' convention this year can compare more than favorably with the talk of George E. Allen, educational director for the American Institute of Banking, or with the fine presentation of the numerical system of the American Bankers Association by Charles R. McKay, head transit manager for the First National Bank of Chicago. It is but fitting that he who would urge a short cut to complete education in banking or provide a quick method for recording transit items should do it with the fewest number of words. In fine, each of these two gentlemen has presented in tablet what appears to be an unanswerable argument in favor, on the one hand, of the saving of years of time in securing a general education in banking, and on the other in cutting down the necessary labor of recording transit items by from 25 to 50 per cent. The man, the method and the brevity; each carries a lesson to other state secretaries and to other speakers who will be called upon to address similar conventions.

STATE BANK FINDS LARGER QUARTERS

State Bank, Chicago, has leased the banking floor of the new Otis Building at La Salle and Madison streets. In addition the bank will have forty feet of the La Salle Street frontage on the ground floor for its savings department and 5,000 square feet in the basement for



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

is justly proud of the record it has made in forty years of service to the public. A steady but conservative growth during this time has placed it in the first position in its territory with a capital and surplus of \$5,000,000.00. In addition to strengthening its own resources it has paid to its stockholders

Five Million Dollars in Dividends

which is an average of over eight per cent annually since organization.

ACCOUNTS OF BANKS IN ITS TERRITORY ARE DESIRED

Noble Crandall

Noble Crandall, general manager of G. H. Burr & Co., Chicago, has been laid up for about three weeks with a ruptured blood vessel. At times his condition was rather serious, but it now is expected that he will be back at his place of business this coming week.

SAFE INVESTMENTS FOR BANKS

To be able to obtain from $4\frac{1}{2}$ to $5\frac{1}{2}$ per cent income in such an easy money market as has recently been experienced is unusual, but the latest bulletin of investment bond offerings issued by the investment banking firm of D. Arthur Bowman & Company, Third National Bank Building, St. Louis, contains some of the most inviting items seen in some time, and would help to solve the investment problem for many banks and investors.

Bankers desiring a secure "second line of reserve," or investors who must place their funds to the very best advantage, both from the standpoint of security and income, are bound to be very much interested in the latest list of securities, particularly since there are several new listings embraced which are bound to achieve decided popularity with the rank and file of investing institutions and individuals. On request this Municipal and Corporation circular will be sent to any address.

PLAN TO PREVENT FLOODS

Southern bankers are greatly interested in the meeting which will be held in the La Salle Hotel, Chicago, on August 30th, for the purpose of effecting a national organization plan to work for the improvement and control of the great waterways of the Mississippi Val-



HENRY M. CARPENTER

Monticello, Iowa

New Member of the Big Council for Iowa; Elected at Cedar Rapids



DAVID R. MCKEE

Davenport, Iowa

New Member of the Big Council for Iowa; Elected at Cedar Rapids

safety deposit vaults. The main banking-room contains about 20,000 square feet. Placing the vaults and furnishing the banking-rooms will require several months, and it is not probable the bank will be able to move into its new quarters before October 1st. The State Bank moved into its present quarters May 1, 1897, or a little more than fifteen years ago. At that time its deposits were \$2,261,381. The last published statement of the bank, that of April 19th, showed \$26,025,300 deposits. In this regard the bank has been multiplied about twelve times in the fifteen-year period. In the same time, the capital stock has been increased from \$500,000 to \$1,500,000 and the surplus and undivided profits have risen from \$233,284 to \$2,200,588. The dividends on the stock fifteen years ago were 6 per cent; they now are 12 per cent. The State Bank was started about thirty years ago by the late H. A. Haugan and John R. Lindgren, who were responsible for its early success. The management now is in the hands of L. A. Goddard, president; Harry A. Haugan, vice-president, and H. S. Henschen cashier. The bank ranks No. 12 in size among the seventy or more banks in the city and is regarded as exceptionally strong.

ILLINOIS BANK TO ERECT NEW BUILDING

The Farmers State Bank of Stonington is contemplating the erection of a new bank building.



CAPITAL
\$2,000,000.00

SURPLUS
\$1,000,000.00

For over half a century we have withstood every financial crisis that has befallen the Nation, including the period of the Civil War. **Q.** Your account carried on the books of a solid, conservative bank adds prestige to your name.
A. Correspondence and interviews solicited.

WE CAN SERVE YOU WELL

EDWARDS WHITAKER	President
MURRAY CARLETON	Vice-President
WM. H. THOMSON	Vice-President
ERNEST M. HUBBARD	Cashier
E. L. TAYLOR	Assistant Cashier
C. R. LAWS	Assistant Cashier

ley. C. A. Morgan, manager of the New Orleans Clearing House Association, calls attention to the fact that thirty years ago President Chester A. Arthur pointed out to congress by a special message the necessity of making an appropriation of thirty millions of dollars to care for these, the greatest waterways of the nation, expressing the belief that the government at Washington should be in absolute control and work out a plan which will prevent a repetition of the experiences recently gone through by the southern people during the past few months.

CONTINENTAL HEADS AT IOWA CONVENTION

George M. Reynolds and Ralph Van Vechten, president and vice-president respectively of the Continental and Commercial National of this city, were in Cedar Rapids this week, where they were present at the Iowa convention held in that city on Wednesday and Thursday.

TOURING IN NEW ENGLAND

Vice-President A. H. Lindsay of the Marine National at Milwaukee passed through Chicago this week with his family, in a large touring car eastward bound. It is his intention to devote about three weeks time to touring in the White Mountains and vicinity. The route which he has selected pretty well covers the attractive portions of the New England States.

STATEMENT OF CONDITION
THE MERCHANTS NATIONAL BANK
CEDAR RAPIDS, IOWA

April 18, 1912

UNITED STATES DEPOSITARY

RESOURCES		LIABILITIES	
Loans and Discounts	\$3,805,347.44	Capital Stock	\$200,000.00
Overdrafts	268.92	Surplus	200,000.00
United States Bonds and other Bonds	406,953.17	Undivided Profits, Net	42,478.13
Premium on Bonds	None	Reserved for Taxes, Unearned	
Real Estate Furniture and Fixtures	None	Discount, Etc.	40,000.00
Cash on Hand, Due from Banks and		Circulation	200,000.00
U. S. Treasurer	2,291,183.76	Deposits	5,821,275.16
	<u>\$6,503,753.29</u>		<u>\$6,503,753.29</u>

OFFICERS

P. C. FRICK, Vice-President
EDWIN H. FURROW, Cashier
ROY C. FOLSOM, Asst. Cashier

JOHN T. HAMILTON, President

JAMES E. HAMILTON, Vice-President
H. N. BOYSON, Asst. Cashier
MARK J. MYERS, Asst. Cashier

DIRECT CONNECTIONS WITH ALL IMPORTANT IOWA TOWNS

Dean C. F. Curtis of Iowa State College at Cedar Rapids

The bankers associations of the Middle West, particularly those of Minnesota, Illinois and Iowa, are entitled to great credit for their active efforts in behalf of agricultural education. The report of the first annual conference of the bankers committees on agricultural education, held at Minneapolis and St. Paul last October, is the best educational report put out by any organization in recent years. This report is of value because it recognizes a situation vital to the welfare and prosperity of all of our people, and, with characteristic business decision, it makes for immediate results in improvement of educational conditions. The interest and activity of the bankers are the most hopeful movement for a sound system of vocational education that has yet appeared.

No body of men, as a class, carries a greater influence or has a more genuine interest in economic or educational problems, along practical lines. No class of business or professional men is in such close relations to rural communities or has the confidence of the farmer to so large a degree as the bankers. No problem more vitally concerns the banker from the standpoint of his future business interests.

Byron gave expression to the broad relation of agriculture when he said, "As the soil is, so is the heart of man." The banker might well say, as the soil is, so are the bank balances. There are more bank balances that are directly or indirectly traceable to the soil of the Mississippi Valley than to all other in-

Vocational education presented by an expert in a most attractive way. Gives Minneapolis-St. Paul conference highest rating for its educational report. "As the soil is, so are the bank balances"

dustries combined. There is nothing sadder nor more disheartening than a people struggling for existence on an impoverished soil.

Most of the agricultural states of the Middle West have lost population during the last ten years, leaving out of account the large cities. This is not particularly alarming, but the great decline of school population in both rural and city schools is more significant and more alarming. Our public school system and policies are largely responsible for this loss. Senator Burton of Ohio, who has the reputation of having more knowledge of the present condition of high prices of the necessities now prevalent than any other man in America, is quoted as saying that one of the chief reasons is "the overproduction of non-producing citizens, and the tendency of people to become lazier and more wasteful." So far as agriculture is concerned, we shall probably have relatively fewer citizens engaged in agricultural production ten years from now, and still fewer twenty years from now, than we have to-day.

One hundred years ago, ninety per cent of

the population of the United States lived on the farms. Fifty years ago, two-thirds of the population was in the country. To-day we have scarcely one-third of our population living on the farms. As our manufacturing and commercial enterprises expand, the proportion of people in the cities in relation to those in the country will increase still more. This in itself is not alarming, provided the farming is of the right kind and the land holders' heritage is not destroyed.

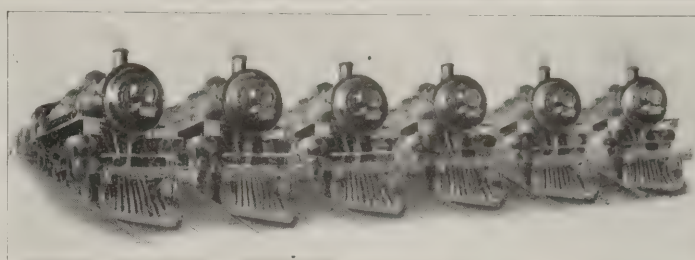
The primary purpose of a better agriculture is increased crop production. The railroads and grain dealers rejoice in increased prosperity to the farmer from this standpoint. A larger volume means more business.

But this is not all of the problem. We have indulged in too much senseless talk about the ability of the United States to feed the world. We will be put to the test to feed our own people within the next ten or twenty years. Indeed the cry of distress already has gone up, and we even now are importing foodstuffs. We have done too much exporting of raw material already. With every 150,000,000 bushels of wheat that we export, we give to foreign countries \$20,000,000 worth of feedstuffs, \$15,000,000 worth of fertility, and \$8,000,000 worth of labor in milling. This is a profligate waste of capital and labor. If we have a surplus we should export only the flour, and retain the feedstuffs, fertility and labor for the enrichment of our own land.

Ten years ago, I spent a day in McLean County, Illinois, with Hon. L. H. Kerrick, one

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Vice-Pres. Eastern Steel Co.**RICHARD H. HIGGINS**
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CHATHAM
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BANK
New York****LOUIS G. KAUFMAN**, President**FRANK J. HEANEY**, Vice-President**WILLIAM H. STRAWN**, Vice-President**BERT L. HASKINS**, Cashier**HENRY L. CADMUS**, Assistant Cashier**WALTER B. BOICE**, Assistant Cashier**GEORGE M. HARD**, Chairman**RICHARD H. HIGGINS**, Vice-President**ALFRED M. BULL**, Vice-President**NORBORNE P. GATLING**, Assistant Cashier**HENRY C. HOOLEY**, Assistant Cashier**Directors:****FRANKLIN S. JEROME**
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Norwich, Conn.**LOUIS G. KAUFMAN**
President**EDWARD E. LOOMIS**
Pres. D. L. & W. Coal Co.**WILLIAM A. LAW**
Vice-Pres. First Nat'l Bank
of Phila., Pa.**FRANK R. LAWRENCE**
Counselor-at-Law**WALDO H. MARSHALL**
President
American Locomotive Co.**JOHN RINGLING**
Ringling Bros.**EDWARD SHEARSON**
Shearson, Hammill & Co.**HENRY F. SHOEMAKER**
New York City**SANFORD H. STEELE**
Pres. General Chemical Co.**ALBERT A. TILNEY**
Harvey Fisk & Sons**FR'D K.D. UNDERWOOD**
Pres. Erie Railroad Co.**JOHN D. VERMEULE**
Pres. Goodyear Rubber Co.**SAMUEL WEIL**
Samuel Weil & Son**FRANK S. WITHERBEE**
Pres. Witherbee,
Sherman & Co.**JOSEPH H. WRIGHT**
Pres. U. S. Finishing Co.

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All trains are perfectly equipped with "ST. PAUL" cars, owned and operated by the "ST. PAUL" Road, giving an excellence in service not obtainable elsewhere.

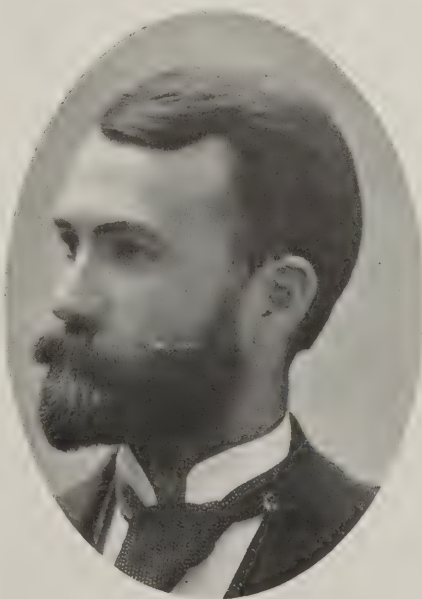
Electric Lighted TrainsBlock Signals"Longer—Higher—Wider" BerthsOn Time TrainsUnequaled Dining Car Service**Chicago, Milwaukee and St. Paul Ry.**Tickets, sleeping car reservations and other information at
52 West Adams St. (Phones Harrison 6162, Automatic 64-326) and Union Passenger Station
F. A. MILLER, General Passenger Agent, CHICAGO

of the clearest headed, most logical farmers I have ever known. He called my attention to a piece of land that he had rented the year previous of a neighboring tenant farmer. The land was planted to corn. The rent price was half the crop. Mr. Kerrick bought the tenant's share, which was forty bushels per acre, at forty cents per bushel. Some of the tenant farmer's neighbors reminded him of the rental that he had paid for the use of that land, amounting as it did to \$16 per acre. The balance of the land farmed by the tenant that year had been rented at \$3.50 per acre. "Yes," said the tenant, "but do you know that I made more money farming Mr. Kerrick's land at \$16 per acre than I would have made from the other land if it had been rent free?" The two fields were immediately adjoining and originally were exactly alike. One field had been farmed as a tenant grain farm. The other had been farmed as a live stock farm. One field had been marketing raw material; the other had been marketing a finished farm product. No nation ever became great agriculturally, commercially or intellectually, merely as a producer of raw materials.

This problem not alone is one of education. It has become a national problem. No agitation of this subject that merely stimulates agricultural production for a time ever will offer an adequate solution. The extension work, carrying immediate help to the producer of the farm, is of practical and immediate benefit. The plan to put a good teacher and demonstrator in each county will bring the work still closer to the people. But nothing short of an adequate and complete system of vocational education, including the trades and industries, will ever solve this problem. This must be provided in the public schools, or in special schools.

We need a federal policy and federal aid in giving impetus and definite form to this work just as has been done in case of the agricultural and mechanical colleges. A national problem should be solved by national legislation. There should be united effort on the part of federal, state and local forces. The instruction provided should be universal and of the kind to fit men for the highest efficiency in creative work. It should extend to the trades and industries as well as to agriculture. It should reach the farm home and the rural church.

It is not solely a question of making money. Rural depopulation and farm tenancy are most

C. H. McNIDER
President, First National, Mason City, Iowa

marked where agriculture is most prosperous. We will not have stability and permanency in American agriculture until the rural home becomes the best home in which to live, and the rural schools suited to the needs of rural life and as good in the grades offered as any city schools. The prosperous farmer prizes educational, social and religious advantages. If they cannot be had in the country he will move to town.

The present farm tenant system is a menace to American agriculture. The land owner is as much to blame for this system as the tenant. Under a system of longer tenure and more diversified farming, the tenant will become as much interested in good schools and churches, and as good a citizen in the community, as the owner. When land values become more stationary and land holders look to crop returns rather than advancing values for profits, our farm tenancy system will change.

The extension work in agriculture and home economics, which has met with popular favor, will be followed by engineering extension for the trades and industries. This movement is a long step in the direction of a system of general education along these lines.

We have over a thousand students taking the collegiate work in agriculture and home economics at the Iowa State College at Ames. We reach about ten thousand annually with our short course work. We conduct county farm demonstrations in ten or a dozen counties, and we soon will have twenty-five thousand boys and girls enrolled in agricultural club work. Yet, if we were to double this, or even reach every county with a short course, we scarcely would reach over five or ten per cent of the people of the state engaged in agricultural production. Besides that, the educational work that is to be of real service must

(Continued on page 25)

NATIONAL BANK OF COMMERCE

KANSAS CITY, MO.

Capital, \$2,000,000

GEO. D. FORD, Vice-President
J. J. HEIM, Vice-President
WALTER S. DICKEY, Vice-President

ESTABLISHED 1865

J. W. PERRY, President
W. L. BUECHLE, Vice-President
CHAS. H. MOORE, Vice-President
JAS. T. BRADLEY, Cashier

Surplus, \$500,000

CHAS. M. VINING, Assistant Cashier
W. H. GLASKIN, Assistant Cashier
JAS. F. MEADE, Assistant Cashier

CENTRAL WEST LETTER

By Edgar P. Allen

Thornton Cooke, treasurer of the Fidelity Trust Co., probably keeps in as close touch with financial, industrial and agricultural conditions in this section as any banker in the Southwest. He comes in daily contact with those who are best posted on crop prospects, manufacturing output, and business operations generally. He expresses himself as highly gratified at the outlook for the immediate future. "I was talking only to-day," he remarked, "with President H. U. Mudge of the Rock Island, and if there is a railroad man who keeps in closer touch with what is going on than Mr. Mudge, I do not know who he is. Mr. Mudge reflects the very general optimism that seems to be prevalent and which is not affected by the disturbance of the most exciting political campaign the country has had since 1896. "The West is probably less affected by the average presidential campaign than any other section of the country, but the disturbance seems to be even less pronounced than usual this year. The consensus of opinion of financiers, railroad men and shrewd judges of business conditions generally is that the summer will be an extremely busy one and that before we know it we shall be in the throes of the greatest crop movement and industrial activity the country has had for years. It used to be that the country as a whole merely 'marked time' during the presidential campaign, at least until the nominations were made. But this year the business world hardly knows there is a campaign in progress. The heavy increase in bank clearings all through the West and Southwest shows that these sections are enjoying abundant prosperity. The Kansas City clearings for the first five months of 1912 show an increase of more than \$16,600,000 over those for the corresponding five months of last year—not a sensational increase, to be sure, but very gratifying under all the circumstances. There is every reason to believe that this increase will be much greater from this time forward."

Banker with Great Memory

Joseph Talbert, vice-president of the National City Bank of New York, was a Kansas City visitor last week. He called on President E. F. Swinney of the First National and J. Z. Miller, Jr., of the Western Exchange Bank and Commerce Trust Co. Only twenty years ago Mr. Talbert was assistant cashier of a bank in San Angelo, Texas, at \$60 a month. He went to a national bank at Fort Worth, became a national bank examiner and later went to Chicago. Among bankers throughout the country Mr. Talbert is noted for his phenomenal memory, to which his rapid rise from \$60 a month to president of an institution with \$25,000,000 capital and \$200,000,000 deposits is attributed. It is said that Mr. Talbert can repeat without refreshing his memory the history of any important business firm in the fifty largest cities of the country.

Mr. Talbert has made a tour of the Middle West during the past couple of weeks and he returns East with renewed confidence in the prosperity of this section of the country. "The outlook could hardly be better," he remarked. "Crop prospects are most encouraging and everybody seems to be in an optimistic frame of mind."

Country Bankers and Good Roads

The country bankers of Oklahoma are endorsing most heartily the plans of Col. Sidney Suggs, Oklahoma highway commissioner, to connect up every county seat in the new state by means of good roads. Numerous meetings of commercial clubs have been held throughout the state, at which the bankers of the smaller towns, especially interested, have taken an active part. A state highway meeting will be held at Atoka June 10th, at which the bankers will be well represented by delegates enthusiastically advocating better roads. The bankers realize that accessibility is a condition precedent to prosperity and that without good roads the more important towns cannot be made trade centers, upon which the prosperity of the small town bankers so largely depend. The bankers are recognizing more and more the intimate relations that exist between the farmers, the bankers and the small town business men. Good roads are the solution of this triangular problem, and the bankers are only displaying ordinary business judgment in fostering the movement that holds out the certainty of wider advantages to each of the classes involved.

Western Securities in Favor

Henry C. Flower, president of the Fidelity Trust Co., has just returned from a foreign trip lasting three months. Mr. Flower kept in close touch with financial centers while abroad and returns with an increased enthusiasm over the outlook for western and southwestern securities.

"It was very gratifying to me," said Mr. Flower, "to find that securities based on western collateral are growing in favor of foreign financiers, as well as in that of the moneyed men of the American centers. Western and southwestern securities have always had a very encouraging stability, and it is especially pleasing to note that they are more than holding their own at a time of very general industrial unrest that necessarily tends to disturb the financial equilibrium. Some very big things have been accomplished within the past few months in the location of western securities in the foreign markets and the outlook for the future is growing brighter all the time."

Central West Notes

A prize of \$1,000 has been offered by C. F. Colcord and Robert Galbreath for the best road on the interstate postal highway that extends from Arkansas City, Kan., through Oklahoma City to the Texas state line. Special interest is being taken in this particular enterprise and the bankers are lending every assistance in their power to help the good roads movement in all its departments.

The Kansas City (Mo.) bank clearings for the first five months of 1912 were \$1,086,736,660, as against \$1,070,091,487 for the first five months of 1911, an increase of \$16,645,173.

Financial circles in this section are deeply interested in the proposed issue of \$2,500,000 of Orient receivers' certificates, which are to be used in extending the line from Granada to Stockton, Texas. Federal Judge John C. Pollock has approved the issue and \$1,000,000 has already been sold to a Boston firm.

Announcement was made in Fort Worth recently that the Mercantile Trust Co. of St. Louis, headed by Festus J. Wade, will finance the proposed interurban from Fort Worth to Mineral Wells. The cost of the road will be nearly \$1,000,000. Fort Worth and St. Louis capitalists will subscribe largely to an issue of \$700,000 preferred stock.

A case of some interest to anybody affected by defalcations was decided by the Missouri supreme court last week. The Middleton Bank of Waverly lost a suit for \$22,000 against the National Surety Co. of New York, on the ground that the company was not notified of the defalcation of Cashier E. H. Lewis six years ago within the time limit specified in the cashier's surety bond.

William L. McKee of the Fort Dearborn National Bank, Chicago, has many friends in Kansas City, and he surprised all of them the other day when he stopped over long enough to introduce his bride. Mr. and Mrs. McKee were married last Saturday in Denison, Texas,

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and visited several of Mr. McKee's friends here between trains on their way home to Chicago.

Western financial circles are watching with interest the movement originated in Denver to invest public school funds in irrigation district bonds. Greater activity in these securities is expected to result from the success of the movement.

EARLY BANKING HISTORY OF KANSAS BY G. W. MARTIN

(Continued from page 11)

figures are correct then there is something radically wrong, and we ought all to know it, and help right things. Figures against us are of equal service and interest in reaching a conclusion.

I was asked a few months ago for my opinion as to the best method of advertising the state. My response was that this was the best and the worst advertised spot on earth, and that if Kansas were to keep her mouth shut for five or ten years there is no telling how advantageous it might be in increased population. There is a wrong impression abroad about Kansas. Any how, there is something the matter. There is a possibility that we are afflicted with the mouth disease, so many of our statesmen have a desire to appear on the first page, top of column next to reading matter. Our editors should use more discretion and draw the line on what a fellow is going to do, and place the limit on what he has done. This would reduce the grand standing and wind jamming very materially and relieve thousands of readers. We are told that this is an area of advertising. It is also an era of gush and dope; a few of our preachers are suffering from a constipation of gospel topics—which wouldn't be so bad if they did not land top of column with scare-head. The arts, devices, machinations and manipulations of the politician have been eliminated by our primary system, and so we have the tiresome and wormy chestnuts, the unsterilized air, with which the statesmen educate the referendum. Now, do not misunderstand me. I am not opposed to reasonable advertising or effort, but there is so much gross exaggeration that might be dispensed with. We talk too much and no doubt occasionally have our wires crossed. What we want is a scheme whereby we can manage our own freaks, and the smart Alecks on the newspapers. We must have some other diet than our own taffy.

Furthermore, do not get the idea that I have a grouch. I have not. I have the most interesting job on earth, and everybody very graciously helps me take care of it; but we maintain quite a clipping bureau and the mental strain exercised in drawing a line between biography, history, and the political self-advertising hot air intended to enlighten or fool the referendum oftentimes wears heavily on my nervous temperament.

Pardon this digression, because with the banker "the stuff" is absolutely essential in balancing the books, and not wind. No people in all history have seen or enjoyed more than have those who remained with Kansas through the past fifty years—beholding this magnificent commonwealth emerge from nothing, prevailing over all sorts of difficulties and discouragements—and we ought to cut out some of our braggadocio and spend much time in the most humble thanks to the Giver of all good.

IOWA CONVENTION

(Continued from page 1)

tion to the "Public Welfare." Joseph Chapman, Jr., was down for a talk on agricultural subjects and J. Adam Bede, also of Minnesota, closed the day's session with one of his characteristically humorous addresses.

The social features at Cedar Rapids, always one of the strong numbers of the Iowa pro-

and a number of smaller entertainments were provided by the ladies of Cedar Rapids.

Secretary Hall reported 1,548 paid members, with only about a hundred banks still out of the fold. This constitutes a revelation in in Iowa association matters, and affords a useful lesson to Illinois and other states as to how to go about it. Mr. Hall's plan is to have the member banks of each county go out after the non-members with a sharp stick. Invariably they are driven to cover. The printed report of the secretary covers completely the doings of the council of administration for the year, group meetings and special committees and time lock features. Iowa is making a specialty of its protective department and has engaged the services of the Burns National Detective Agency for that work. The report of the secretary covers in detail many of the prominent cases which have occurred during the past year. Iowa Bankers Association maintains a balance of nearly ten thousand dollars in the treasury and the yearly receipts are slightly over that amount. The popularity of P. W. Hall with the members of the Iowa association was one of the notable things at the convention. He seems to have the gift of being an efficient secretary without doing things which are not wanted done, or failing to carry out the suggestions of those who are responsible for the welfare of the association.

Secretary Hall is the first state secretary to follow Col. Farnsworth's lead and print a daily registry list. The Cedar Rapids delegates appreciated this advanced move.

Charles Shade, president of the First National at Rock Rapids, was elected president and Charles R. Hannan, Jr., of Council Bluffs, was chosen for treasurer. Two more popular men could not have been found and there was no opposing movement. Henry M. Carpenter of Monticello and D. H. McKee of Davenport were elected to be members of the A. B. A. Executive Council—one to fill the Reynolds vacancy and the other a newly qualified membership. Registration the first day 900, which is going some even for Iowa.



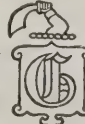
EDWIN H. FURROW
 Cashier Merchants National, Cedar Rapids, Iowa

gram, consisted chiefly in events which were enjoyed by the ladies. On Wednesday afternoon they were entertained at the Country Club, and in the evening the delegates and their ladies were taken to the Majestic Theatre, where a special program had been provided. On Thursday afternoon they were taken for an automobile ride about the city,

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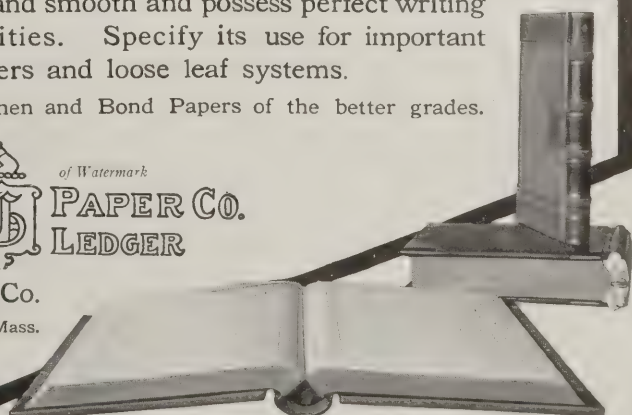
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Deposits

1902, \$8,000,000

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

When teacher rings her bell early June 14th a lot of banker school boys will respond by gathering in the auditorium of the state agricultural school for two days of lessons from "professors" gathered from all parts of the country to talk learnedly on finance and agriculture and similar subjects, as outlined in the program of the Minnesota Bankers Association's twenty-third annual convention, to be held this year on Rosetown township, which is halfway between the business centers of the two Twin Cities.

Frank E. Holton, who used to be a banker, is to register the pupils when they arrive by bus from the street car line. He will have an office in the administration building. The regular program for Friday will be followed at night by a moving picture show of the Durbar, while an orchestra plays and W. I. Nolan, a talker, will make some "Remarks Wise and Otherwise," with the accent on the "Otherwise." "Pupils" who wish may live in the college dormitories, or they can put up at the taverns in St. Paul and Minneapolis.

Several "big" men are to talk to the pupils, such as James Wilson, secretary of agriculture, on extension of agricultural education in the Northwest; R. W. Bonyng, Denver, member of the National Monetary Commission, on the proposed plan for a national reserve association; Dean C. F. Curtis, of the Ames Agricultural College, on secondary education in agriculture; Dean A. F. Woods, of the Minnesota Agricultural College, on agricultural education in Minnesota; Thomas Cooper, secretary of the Better Farming Association of North Dakota; C. G. Schulz, Minnesota superintendent of education, on consolidated rural schools; Professor John Monroe, of the Cokato associated high schools, on the agricultural high school.

President D. S. Culver, vice-president of the National German-American, is to start the school session by introducing Rev. Everett Lesh, Olivet Congregational church, Merriam Park, who will lead in prayer. Mr. Culver, Secretary C. R. Frost, and Treasurer A.

G. Wedge, Jr., of Bemidji, will make reports. J. W. Wheeler, vice-president of the Capitol National, will report for the committee on agricultural development and education. The heavy addresses will follow. After Principal Monroe will come P. H. Konzen of Hallock on the prospects and possibilities of Northern Minnesota and C. P. DeLaittre of the Aitkin County State Bank on the blue sky law. At 4 o'clock will be recess. The pupils will be shown how to feed steers, manage farms, plan farms, control insects, diseases and weeds, and several other things absolutely needed for the equipment of a perfect banker.

For the second day, in the morning, the big guns will begin to speak again. H. J. Maxfield, immigration commissioner, will talk about the state department of immigration; Joseph Chapman, Jr., will make an address on the purposes of the A. B. A. committee on agricultural development and education; George DuToit, president of the Carver County State at Chaska, will report on registration of commercial paper; A. G. Wedge, Jr., vice-president of the First National, Bemidji, on surety companies; L. A. Huntoon, president of the First National, Moorhead, on the handling of farm mortgages by national banks; W. F. McLane, cashier of the Hennepin County Savings, on the A. B. A. convention at New Orleans. After the report of the committee on resolutions and group organizations, there are to be informal discussions, election of officers and members of the council and to the A. B. A. council, then school will be out.

J. A. Latta Addresses Group 9

One of the principal addresses at the ninth congressional district bankers meeting at Battle Lake was that of J. A. Latta, vice-president of the Northwestern National, on "The Central Banking System as Proposed by the National Monetary Commission." A. L. Thompson of Mahanomen presented a paper recommending a law to compel the filing of chattel mortgages with the county auditor, and the unanimous sentiment of the convention was

for such a law. Attorney-General Lyndon A. Smith discussed the recent decisions relating to banking. The visitors were guests for a banquet and a boat ride on the lake in the evening. Officers elected were: T. O. Haf-dahl of Beltrami, president; J. L. Humphrey, Fosston, vice-president; C. L. Marsh, Crookston, secretary, and E. E. Adams, Fergus Falls, and R. J. Landberg, Henning, members of the district committee.

Directors in Securities Company

C. T. Jaffray, president of the Minneapolis First National, and F. P. Hixon of La Crosse, Wis., director in the Security National, Minneapolis, Thomas Baxter of Boston, John MacMillan and Austin Cargill of Minneapolis are directors in the Cargill Securities Company, organized to take over the W. W. Cargill estate. Principal properties are the La Crosse & Southeastern Railroad, Cargill Elevator Company and the Sawyer and Austin Lumber Company holdings in Arkansas.

Joseph Chapman, Jr., Addresses Graduating Class

Joseph Chapman, Jr., has stepped over the line from the agricultural and consolidated rural school business into the regular ranks. He delivered the commencement address for a high school class of thirteen (note the number) at Browns Valley, Minn. Says a Browns Valley correspondent: "Mr. Chapman prophesied that the high school curriculum of ten years hence will little resemble that of the present time. He pleaded for a high school that will reach far out into the surrounding rural community, preparing the boys for business and the trades and the girls for home makers. His address is generally acknowledged as one of the best ever given here."

Savings Banks in Twin Cities

Savings banks of Minneapolis continue to hold the business notwithstanding that the postal savings bank is gaining. From September 1st to June 1st there were 4,946 deposits, leaving \$172,770.50 in the bank at the latter

(Continued on page 24)

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GEORGIA BANKERS CONVENTION AT ATLANTIC BEACH

Atlantic Beach, Fla., June 1.—The large attendance at the twenty-first annual convention of the Georgia bankers was in a large part due to their selection of this beautiful watering place on the Florida coast as the convention city. One of the events of the first day's session was the annual banquet at the Continental Hotel, followed by a boat trip given by the Jacksonville Clearing House Association.

A feature of the convention was the retirement of L. P. Hillyer, who for twenty years was secretary of the association. The Georgia bankers hereafter will maintain a paid secretary, and have elected Haynes MacFadden, who for a number of years has traveled throughout the South for the "Southern Banker," printed at Atlanta. The new president of the association is B. W. Hunt of Eatonton, and L. P. Hillyer heads the list of vice-presidents; E. D. Smith is treasurer. Among the principal speakers were the Hon. Lee McClung, U. S. treasurer at Washington; R. F. Maddox of Atlanta; President Lincoln Hulley of the Stetson University at DeLand, Fla., and Bradford Knapp of the agricultural bureau at Washington. Among the bankers who spoke are W. H. Searcy of Cairo; A. B. Mobley of Monroe; J. T. Duncan of Douglasville and John M. King of Rochelle.

Mr. Hillyer's Valedictory

In withdrawing from the secretaryship of the association, Mr. Hillyer said:

"I am proud of my connection with this association. I am proud of the fact that twenty years ago I assisted Daddy Lane in its organization and was elected its first secretary. My heart has been deeply touched each year by my unanimous re-election. I have seen the

association grow from the forty-odd which met in the Lanier House in Macon to more than ten times that number at the present time. It has grown so large, there is so much to do, and so much more that can be done. I am sure that an active paid secretary is absolutely essential; a secretary whose only work will be for the association. For the good of the association, therefore, I recommend that such a secretary be elected my successor. As no officers of an association of this kind are expected to do much work except the secretary, the success of the association is largely due to

the secretary's efficiency and constant activity. If his outside duties are such that he cannot give much time to the association, the association surely will grow sick and pine away."

Mr. Hillyer also enumerated the various advantages to be derived by membership in the state association, and stated that he could not see how any bank could afford to remain out of the fold.

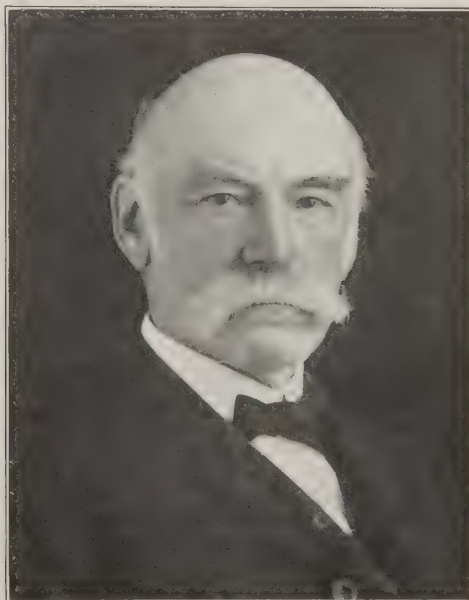
Mr. McClung Advocates Revision of Currency System

Mr. McClung believes that a currency system allowing adequate contraction after financial upheavals is just as necessary as a system allowing expansion to meet emergencies. He said in part:

"There is a widespread belief in the minds of our people that the issuing of currency is rightly a governmental function and should have no connection whatever with banking. The question naturally arises: Why should the government not issue the whole volume of paper currency? As circumstances practically have concluded the further issue of national bank notes, it is becoming necessary to revise our currency system in order to provide for an enlarged volume of circulation."

Interesting Address by W. H. Searcy

W. H. Searcy, cashier of the Citizens Bank at Cairo, delivered a very interesting address, his subject being "Should Country Bankers Charge their Customers Exchange?" The speaker maintained that they should and cited many arguments in support of his contention. Mr. Searcy believes that the banks should not attempt to get rich through the medium of exchange, but that they should charge such a sum as will be adequate to protect them from loss. He believes that, if the subject were discussed generally at all group meetings and conventions, and the banks educated in the



B. W. HUNT

Eatonton, Ga. President-Elect, Georgia Bankers Association

E. W. ANDREWS, President
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matter, the problem soon would be solved. In opening his address Mr. Searcy said:

"I do not construe the words 'country banker' to mean a man from the 'back woods' and one who has no knowledge of things outside of his own institution, for upon the country banker rests a responsibility equally as great as rests on the shoulders of the city banker, for if there were no country banks there would be very few city bankers, for most of our city friends can trace their banking ancestry to some bank usually called a 'country bank.'"

Able Talk by Albert B. Mobley

A very able address was delivered by Albert B. Mobley, cashier of the Farmers Bank at Monroe. Mr. Mobley chose for his subject "The Conservation of our Money Power." He likened the money power of the country to the water power, saying that if there is too little water we have droughts and destruction of crops; too little money and we have panics and destruction of business; too much water and we have floods and destruction of property; too much money and we have speculation and high finance. He said in part:

"Idle water does not develop power, neither does idle money develop money power. Water to develop power must be flowing. Money to develop power must be flowing—must be spent—it must be used. Water when used to develop power can be used again by other water wheels; it is not wasted. Money when used to develop power, when spent, is not wasted, for it can be used over and over again. Money is labor. Wealth is accumulated labor. Money to give power must be spent for the necessities and luxuries of life; it must pass over the labor wheels."

The speaker stated that he believed that there were too few streams in the South; that the streams which they have are not constant in their flow; that the population is too small; that the South is not producing the crops of which it is capable and that it is not manufacturing its raw material into finished products. He urged the sale of finished products in order to fill the money streams, thereby enabling the South to employ its own labor and to develop its money power. He believes that the banks bear an important relation to the community in conserving its resources, and urges upon all bankers the necessity of studying local conditions. In closing his remarks the speaker said:

"To the bankers of the South and of the nation I say, conserve the money power of the nation. It is your duty and your business. Deepen our money streams, strengthen the levees, and beware of leaks in your dams, both storage and power dams. Build more streams—before the currency laws, if needed. Improve the banking laws if defective. Establish the central bank system if it is the thing we need. Eliminate so much speculation and high finance in our business. See that the streams of money are constant in their flow so that our labor may be employed in contributing to the needs of the human race."

Other Addresses

Talks also were made by John T. Duncan, president of the Douglasville Banking Company, Mr. Duncan talking on "Financing the Farmer," and by John M. King, president of the Bank of Rochelle, he choosing as his topic "Single-Name Unsecured Paper." Mr. Duncan stated that the whole business structure

(of the South at least) rests upon what the farmer has and raises as its foundation. He believes that if the farmer can be financed properly the whole community problem is



HAYNES MacFADDEN

Atlanta, Georgia. New Secretary, Georgia Bankers Association

solved. He believes that banks prosper most and lend most in those sections where the farmer is on nearly a cash basis. Mr. King

spoke of the dangerous practice of taking a note with but one name, giving as his opinion that if a bank were overburdened with such paper, it soon would be noised about that the bank was not as conservative as it ought to be and that thereby it would lose the public confidence and trust once reposed in it. He stated that such a practice was looked upon with disfavor by both the state and national bank examiners.

NORTHWEST LETTER

(Continued from page 22)

date. The open accounts numbered 1,634. Since the bank opened there have been \$4,000 in U. S. bonds issued with application for \$3,000 more. Superintendent J. W. Fleu says that the fine condition of the savings bank is responsible for the low record of Minneapolis' postal savings institution. In St. Paul, which also has fine savings banks, the deposits since opening the postoffice bank have been \$597,872, a total of \$50,930 for May. In the farmer savings banks, in Minneapolis, there was reported more money deposited in the last quarter and less withdrawn than for any similar period in years. "There is not so much speculation, but business, as a whole, is more satisfactory now than in other years," said N. F. Hawley, treasurer of the Farmers and Mechanics Savings Bank. "People seem to be more conservative than they used to be and to be living more within their means. The farmers in particular seem to be doing well and even now, with the harvest several months away, farmers are paying off mortgages."

Gain in Bank Clearings

With \$16,523,742.57 gained over last year in a five-month period in which every month was heavier, Minneapolis bank clearings, at \$409,515,284.93, show general business greater in volume and June is starting in with the indication of more than full maintenance of the comparison. In January, February, March, April and May, 1911, the total was \$392,991,542.36.

To Inspect German Schools

Who it is that has offered to send three members of the Minneapolis school board and one educator abroad Joseph Chapman, Jr. refuses to tell. To formulate high school plans before the legislature meets is the idea.

"No city in the country has sent a party of this kind abroad to make a study of European schools for the benefit of the public schools," said Mr. Chapman. "The nearest approach to it was the sending of the superintendent of the Chicago schools abroad some time ago. The thought is that the future development of the Minneapolis high schools shall have the benefit of the ideas these men will get abroad. Germany is ten years ahead of this country in trade schools and we may as well profit by Germany's mistakes and Germany's strides in education."

Will Not Organize New Bank

While work is progressing on the organization of a bank for the Lumber Exchange building, that for a bank offshoot of the First National has been abandoned. The latter was backed by men interested in the larger institution. "We have decided not to organize the bank," said C. T. Jaffray, vice-president of the First National Bank, who was one of the men identified with the plan. "We were unable to make satisfactory terms regarding the lease of



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C. D. VAN DYKE, Cashier
 A. W. SMITH, Asst. Cashier

the quarters in the Masonic Temple and therefore gave up the plan."

Will Attend Agricultural Conference

Earl S. Gwin, New Albany, Ind., president of the Indiana Bankers Association; Secretary W. B. Harrison of Enid, secretary of the Oklahoma Bankers Association, and W. F. Keyser of Sedalia, secretary of the Missouri Bankers Association, have written Joseph Chapman, Jr., that their associations will be represented at the meeting of the national bankers association's committee on agricultural development and education in Minneapolis, August 7th and 8th. Besides these states, Colorado, New York, Florida, South Dakota and Iowa have appointed committees to attend.

Banking Notes

Bankers who are to go on the trade extension excursion from Minneapolis to Northern Minnesota and Winnipeg, June 17th, include George F. Orde, First National; A. V. Ostrom, Northwestern National; J. S. Pomeroy, Security National.

George C. Power of the Second National has returned from a month in New York and the Bermudas. Perry Harrison, Security National, is in the East for a vacation.

J. S. Ulland, president of the Fergus Falls National, a good Methodist, was honored by the general conference just closed at Minneapolis in appointment as member of the book committee. He was a delegate from the Northern Minnesota conference to the big meeting.

DEAN C. F. CURTIS OF IOWA STATE COLLEGE AT CEDAR RAPIDS

(Continued from page 19)

reach the population of school age. You cannot educate an old man. Men and women can be reached best through the boys and girls. This already has been demonstrated repeatedly. The present extension and demonstration work could not have gotten under way but for the enthusiasm and helpful knowledge of the boys and girls returning from the agricultural and mechanical colleges.

The American nation will not be able to hold its place among the industrial nations of the world with anything short of a complete and adequate system of agricultural and industrial education. The key-note of Germany's industrial progress has been, and is, that there must be greater skill and efficiency on the part of all the people. America has led all the nations in the doctrine of universal

education, but we have fallen behind in training for practical efficiency. The only objection seriously urged against the inauguration of a federal and state policy of vocational education is on the ground of economy. The total federal appropriation for all lines of agricultural work during the past ten years has not exceeded 3½ per cent or 4 per cent of the aggregate. The establishing of a broad and adequate policy such as is provided for in bills now pending before congress would not increase this above 5 per cent or 6 per cent. The active interest of the bankers organizations will be a powerful influence in bringing this about.

Such schools would stop rural depopulation and reverse the tide from the country to the city. They would put our crop yields on a par with those of foreign countries—from 25 per cent to 50 per cent above present yields. They would check the decline in soil fertility and help to keep American farms for American boys and girls, instead of for foreign tenants. They would become centers for rural social life and organization. They would contribute to the contentment of rural life, and thereby give greater stability and permanence to the nation's best citizenship.

JOHN McHUGH - President
 JOHN J. LARGE - V.-Pres.
 W. L. MONTGOMERY, V.-Pres.
 HENRY G. WEARE - V.-Pres.
 F. A. McCORNACK - V.-Pres.
 H. A. GOOCH - Cashier
 O. D. PETTIT - Asst. Cashier
 FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
 BUSINESS AND OFFER
 YOU EXCEPTIONAL
 FACILITIES. CORRE-
 SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
 Excellent Collection Facilities

ARTHUR REYNOLDS, President
 J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
 C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
 W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
 C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
 Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
 Savings Bank that Makes a Specialty of
 Collections and Bank Accounts

Largest Bank in Clinton
 County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITARY

ESTABLISHED
 As a Private Bank, 1877 As a National Bank, 1887
 35 years of continuous, conservative and successful banking

OFFICERS
 RALPH VAN VECHTEN, President
 GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
 KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

Des Moines, June 6.—The bankers convention of Cedar Rapids this week has been one of the most interesting events in Iowa. It followed the state primary, which has been the topic for some months. The results of the latter furnished a good social topic and offered the occasion for many to say: "I told you so." The attendance at Cedar Rapids has been all that could be expected and the program was eminently satisfactory. Des Moines was well represented and in fact the city banks have been somewhat depleted during the two days of the convention.

Gain in Clearings

Des Moines bankers are well pleased with the showing made by the clearing house association for the month of May. The gain over the clearings for the same month last year was \$838,519.78. This million dollar increase looks good to the financiers as an evidence of prosperity and of steadily increasing business in Des Moines. The clearings for the month of May this year totaled \$19,659,829.61 as against a total of \$18,821,309.93. The clearings for the final week of May this year totaled \$3,747,380.30, an increase of \$801,465.47 over the clearings for the corresponding week last year.

John Mowery's Death Keenly Felt

The death of John Mowery of Ottumwa, president of the Ottumwa National and Wapello County Savings, has been a source of much sorrow to Iowa bankers who have been associated with Mr. Mowery for many years. He was prominent in Ottumwa business circles for thirty-five years. He was elected president of the Ottumwa National in 1890. When the Wapello County Savings was started in 1897 he was made president of that institution too. In addition, he was president of the Blakesburg Savings, the Batavia Savings, the Hedrick State and the Farson Savings. He had been ill since February. The funeral was held from the family residence, conducted by the pastor of the Methodist church, and was largely attended.

Story City Bank Case

Important figures as to the real value of the bank stock and other property of John Swan of Story City have been filed in the federal court at Des Moines. Mr. Swan was forced into bankruptcy by his son, cashier of a private bank at Story City, who skipped out with all of the available cash. In his petition in bankruptcy court, the father professed liabilities of \$82,291 and assets of \$82,082. However, appraisers appointed by the court find the assets are only \$62,288.87, while the assets of the bank itself are listed at \$47,692.59. The appraisers are S. R. Cornelliussen, John Egenes, Thomas Mason and B. C. Vold. The failure of the Story City bank has caused much attention throughout Iowa, not only from the fact of the heartless son thus bankrupting his father but from the fact that it shows very

plainly the necessity for some sort of regulation of private banks.

Homer A. Miller Entertains at Golf

Homer A. Miller, president of the Iowa National, Des Moines, pulled off his annual golf game at the county club links in this city last week. He had as his guests, Joseph T. Talbert, vice-president of the National City of New York, S. M. Felton, president of the Chicago Great Western Railroad, and E. C. Finkbine, a director of the Great Western and a stockholder in the Iowa National. Mr. Talbert while in Des Moines gave out an interview in which he declared that Roosevelt will be nominated, elected and that the money interests of the East will not be affected thereby. Mr. Talbert explained that Wall Street is more friendly to Taft than to Roosevelt but the opinion is divided and that the rank and file seem to be for the Colonel. When asked regarding the demand for money at present, he stated that it is slight. "The railroads are not pushing any big ventures," he said. "There is no big demand for money."

As to who won the golf game the interested parties were silent. This four cornered affair has always been a leading event in Mr. Miller's daily career, and he looks forward to it from one year to the next. But he never gives out the score—probably for reasons of his own.

Rumor of New National Bank for Des Moines

There has been a rumor in bank circles at Des Moines that a new national bank is to be formed in Des Moines. The names of Vice-President Butler and Cashier Harry T. Blackburn of the Iowa National have been connected with it. There have also been rumors that these two men have been figuring upon buying the bank stock of Arthur Reynolds of the Des Moines National, the assumption being that the latter is going to one of the Chicago banks. However, Messrs. Butler and Blackburn have stated that the rumors are entirely without foundation. They say they have no intention of quitting the Iowa National and that they are loyal to President Miller and the institution of which he is head. It is not known how the report started but it has been talked about a good deal in rival banking circles.

Death of J. H. Carleton

John Humphreys Carleton, president of the State Bank of Dows, died some days ago. The directors have sent out this touching tribute to the memory of the deceased: "With deep sadness the officers and directors of the State Bank of Dows announce the death of their president, John Humphreys Carleton, on May 7, 1912. A thread of splendid strength and manly beauty has been silently slipped from the woof of our commercial and social texture. He has passed out upon the River of Death, where the tide ever ebbs, but never flows. Mr. Carleton has been associated with this bank since its organization twenty years ago and

The State Bank and Trust Company of Port Lavaca, Texas, has filed an amendment changing its name to the First State Bank of Lavaca, eliminating the trust feature and decreasing its capital stock from \$50,000 to \$30,000.

for the past fifteen years has been its president. He was a wise and safe counselor, and his name, standing as it ever has for the strictest business honesty, integrity and sagacity, has been a bulwark of strength to the institution of which he was so long the president."

Sells Stock in Waterloo Loan and Trust Co.

W. R. Jameson of the Waterloo Loan and Trust Company has sold his stock in the Waterloo Loan and Trust Co. to F. J. Eighmen and other Waterloo capitalists. This concern was organized seven years ago and has assets of between \$500,000 and \$800,000. Mr. Jameson will retire from active management of the institution and it is probable that a new location will be secured. Ben J. Howrey will remain as president, A. E. Smith as cashier and C. A. Barber as assistant secretary.

Iowa Banking Notes

G. G. Lindquist, vice-president of the First National of Gowrie, died recently in that city after many years' suffering from tuberculosis. His banking career began in the Webster County State in 1895. Later this institution became the First National of Gowrie. He was elected cashier in 1901 and held this position until he resigned to become vice-president in 1907. F. W. Lindquist succeeded him as cashier.

The Security Savings at Cedar Rapids recently voted to increase its capital stock from \$150,000 to \$200,000.

The Tri-City Bankers Club at a meeting at Davenport recently decided to form a separate clearing house for the banks at Rock Island and Moline. J. L. Vernon was made chairman and M. S. Heagy secretary. The club was made a permanent institution. William Heuer of the Union Savings of Davenport was elected president and A. J. Lindstrom of the Rock Island Savings was made secretary and treasurer. Finger-print identification will be studied.

Out-of-the-city bankers seen in Des Moines recently include Vice-President H. I. Foster, Shenandoah National; Vice-President E. E. Reder, Peoples National, Albia; Cashier E. L. Higgins, Gillett Grove Bank; Assistant Cashier E. A. French, Black Hawk National, Waterloo; Cashier J. E. Walker, Truro Savings; Cashier H. S. Fleagle, Fernald Savings; President J. B. Elliott, Knoxville National.

The Citizens National of Winterset has celebrated its fortieth birthday. The charter has been extended for twenty years and Cashier W. J. Cornell has entered upon his thirty-fourth year in connection with the institution as cashier.

The First National at Creston is now in its new structure, which has been extensively remodeled and made into a beautiful and businesslike home.



MANY bankers, from time to time, have need of a special or secondary reserve fund. This reserve fund they carry in bonds or as an inactive account at interest with a metropolitan bank. We make a specialty of handling such inactive reserve accounts for banks and bankers, and of supplying carefully selected bonds for investment, circulation, emergency currency, government deposits or postal savings fund purposes. To banks intending to establish a secondary reserve fund unexcelled facilities are offered.

We have prepared an exceptionally informative leaflet on government bond data in concise enough form to be practical to every banker, — just the thing to have close at hand for ready reference. We shall be pleased to send these leaflets free upon request.

Harris Trust & Savings Bank

Organized as N. W. HARRIS & CO. 1882. Incorporated 1907
HARRIS TRUST BUILDING, CHICAGO

Sioux City

By JOHN J. BIDDISON.

What few heads of banking institutions there are left in town this week are much interested in the sessions being held in the city of the Iowa State Tax Commission, which is conducting hearings on the request of the commercial interests of Sioux City. The commission has imposed upon it, not the duty of readjusting taxes, but merely of studying the conditions, needs and possibilities of the state's taxing system, and to make a report, with recommendations, to the next legislature. The last legislature undertook to remedy some of the most glaring defects in the system, and it did it at the expense of bankers by placing

a flat tax on capitalization without allowing offsets. Another real reform was the placing of a millage tax on moneys and credits. This, however, has not resulted in the increased revenues expected when it was instituted as a substitution for the insufferable tax ferret. Business men are placing these facts before the tax commissioners in the hope that a new code on taxation will result.

South Dakota is in a fair way to a most prosperous year, says Geo. S. Parker, president of the Livestock National, who has returned from Dallas, S. D., where he participated in the sessions of a group of South Dakota bankers, made a speech and presided at a banquet. He found that crops are exceptionally promising and that the failures of the

past are likely to be forgotten in the successes of the future.

Among the Visiting Bankers

Among the bankers who visited Sioux City this week are J. S. Wilson, cashier of the First National, Hull; S. Hahne, assistant cashier of the State Bank of Schaller; W. A. Schaetzel, president of the Union County Bank, Elk Point; and D. A. Oltman, cashier of the Kingsley Bank, Kingsley. Nebraska visitors were T. A. Anthony, cashier First National, Wausa; W. S. Weston, vice-president First National, Hartington; H. F. Wilson, cashier of the First National, Wayne; E. G. Hancock, president of the Thurston State Bank, Thurston; and L. C. Barbour, cashier First National, Brunswick.

The German Savings Bank

DAVENPORT, IOWA

Capital	-	-	\$ 600,000
Surplus and Undivided Profits over	-	-	800,000
Deposits	-	-	10,688,530

OFFICERS

CHAS. N. VOSS, President

H. O. SEIFFERT, Vice-President

ED. KAUFMANN, Cashier

D. H. McKEE, Vice-President

F. C. KROEGER, Asst. Cashier

This bank offers to patrons the security of its ample resources and the service of an organization perfected by many years' experience

Central State Bank

DES MOINES - - IOWA

Capital	-	-	\$ 200,000.00
Profits (net)	-	-	128,182.57
Deposits (April 3, 1912)	-	-	2,914,159.10

OFFICERS

SIMON CASADY, President

J. D. WHISENAND, Vice-President

H. B. HEDGE, Vice-President

FRED S. RISSER, Cashier

CONNECTIONS WITH CONSERVATIVE BANKS
THROUGHOUT THE STATE DESIRED

Numerical System of the American Bankers Association

The numerical system of the American Bankers Association simply is an evolution and consolidation of various numerical systems formerly in use into one universal and comprehensive plan and comes to supply an urgent demand for efficiency, speed and accuracy in handling out-of-town bank checks, commonly known as "transit items."

The system of using numbers for registering transit items is not a new idea. For more than twenty years the New York Clearing House numbers have been used in listing checks sent to New York correspondents. This was the first application of the numerical system for registering transit items. Like many other labor saving inventions, it began in a small way. It plainly was apparent that it required less time to write the number "1" than to write "Bank of New York, National Banking Association," or the figures "53" in place of the "Importers and Traders National Bank."

The New York Clearing House numbers were not printed on the checks and, therefore, had to be memorized. As there were a large number of non-clearing banks in New York which had no numbers, the use of numbers was confined to the clearing house banks until someone suggested the plan of supplying additional numbers to non-clearing banks. Each bank adopting this plan sent its own list of numbers to its New York correspondents, without any regard to the uniformity of the numbers. Owing to the increased use of bank checks, the volume of transit items grew so rapidly that it was found necessary, as a means of saving labor, to use numbers for registering the name of the drawee banks on items sent to Chicago, Philadelphia, Boston, St. Louis and other large banking centers.

As a further means of reducing labor, local depositors and out-of-town banking correspondents were numbered and supplied with endorsement stamps bearing the numbers assigned, so that the name of the depositor or endorser could be registered by a number as well as the name of the drawee bank.

In doing this pioneer work each bank was blazing its own trail and had, therefore, a nu-

C. R. McKay, manager of the Transit and General Books department of First National, Chicago, tells of the new plan at the Iowa convention. Mr. McKay served on the committee which "dug up" the system

merical system of its own, with the result that some bank correspondents were designated by as many as a dozen different numbers. This caused confusion and made the numerical system unpopular with many of the banks, who objected to using the endorsement stamps bearing the various numbers assigned them.

To overcome this confusion of numbers the Texas banks adopted a uniform numerical system for their own state by designating a definite number for each Texas bank, the numbers beginning with 500 and running up to 2,100. Those under 500 were used to number each bank's city depositors.



C. J. WEISER

President Winneshiek County State Bank, Decorah, Iowa

As Oklahoma and other states were considering the adoption of similar systems to be used within their own states, it became apparent that unless a uniform system for the entire country were adopted so much confusion would result as to make the numerical system impracticable for universal use.

It was this condition of affairs which prompted the clearing house section of the American Bankers Association to call a meeting of the transit men of about sixteen of the principal cities of the country for the purpose of formulating a universal numerical system, so that each and every one of the 28,000 banks in the United States would be designated by a definite number of its own. This meeting was held in Chicago in December, 1910, and a committee was appointed to evolve a system. The numerical system formulated by this committee was adopted by the American Bankers Association in May, 1911, and now is known as the "Numerical System of the American Bankers Association."

In order to make the system universal, the Texas banks were prevailed upon to adopt the "Numerical System of the American Bankers Association" to take the place of the Texas system, which had been in operation for nearly a year; so we now have only one numerical system, which is universal and can, therefore, be used by every bank in the United States.

A key to the system, showing the numbers and names of all the banks in the United States in both numerical and alphabetical order, has been published and distributed to about 6,000 banks throughout the country. It is estimated that about 7,000 banks already have adopted the system by placing the numbers assigned them on their checks and endorsement stamps.

The system may be briefly explained as follows:

The reserve cities and collecting centers each are designated by prefix numbers from one to forty-nine, inclusive, in the order of their population. The lower numbers thus are assigned to the larger cities, upon which the greater number of checks are drawn.

The prefix numbers are followed by the in-

WE ARE PREPARED

TO handle the business of banks in Iowa and Western Illinois with a maximum of efficiency and satisfaction.

☛ We offer unexcelled facilities, and invite your business on the basis of complete service and favorable terms.

Resources, \$3,000,000.00

First National Bank

DAVENPORT, IOWA

A. F. DAWSON, President

L. J. YAGGY, Cashier

The Cedar Rapids National Bank

CEDAR RAPIDS, IOWA

United States Depository

Statement of Condition

Close of Business April 18, 1912

Comptroller's Call

RESOURCES		LIABILITIES	
Loans and Discount.....	\$2,956,672.35	Capital.....	\$ 100,000.00
Overdrafts.....	482.12	Surplus and Undivided Profits, net.....	220,254.45
United States Bonds, at par	180,000.00	Reserved for Taxes, Unearned Discount and Int. on C-D's.....	25,000.00
Other Bonds.....	442,832.50	Circulating Notes.....	100,000.00
Real Estate.....	160,000.00	Deposits.....	4,996,502.28
Cash due from Banks and U. S. Treasurer.....	1,701,769.76		\$5,441,756.73
	\$5,441,756.73		

OFFICERS

GEO. B. DOUGLAS,	-	RALPH VAN VECHTEN, President	
KENT C. FERMAN	-	Vice President	MARTIN NEWCOMER
	-	Cashier	A. R. SMOUSE
			Asst. Cashier
			Auditor

dividual number of the bank in each city, clearing house banks being given their clearing house numbers and other banks assigned arbitrary numbers in the order of their seniority. New York City is No. 1, Chicago, No. 2, Philadelphia, No. 3, and so on.

The numbers of the reserve banks in Iowa are, Des Moines, 33, Sioux City 41, Dubuque 45, and Cedar Rapids 47. The National City Bank, New York, would, therefore, be designated as 1—8, the First National Bank, Chicago, as 2—1, the Cedar Rapids National Bank as 47—3.

The prefix numbers from 50 to 99 have been assigned to the states, which have been divided into five sections—eastern, southeastern, central, western and southwestern. Those containing the principal collecting centers, namely, New York, Pennsylvania, Illinois, Missouri and California, have been given the first numbers in their respective sections, 50, 60, 70, 80, 90, to indicate that the following numbers in each section represent the states in the same territory.

The state prefix is used in numbering banks located outside of the 49 cities mentioned. In Iowa, Davenport is the first city to be numbered with the state prefix, which is 72. The First National Bank of Davenport is 72—1.

The banks throughout the state are numbered in the relative order of the population of the cities in which they are located, the large cities thus having the lower numbers. Each bank is numbered in consecutive order according to seniority in each city and town, excepting in towns having only one bank, in which case the banks are numbered in alphabetical order according to towns. The numbers in Iowa run up to 1,667, being exceeded only by Illinois with 1,684.

To make the numerical system complete it only is necessary for each bank to supply numbered endorsement stamps to those of its local depositors who have out-of-town items. As the local depositors' numbers have no prefix, they will in no way conflict with the numbers assigned banks.

As an illustration of the use of the numerical system, an Iowa bank in registering an item on the First National of Bloomington, Ill., to be sent to its Chicago correspondent, would write, for instance, the number 127, representing the number of its local depositor, or 72—75, if it was received from the Muscatine State Bank, and, instead of writing Bloomington, Ill., would simply write 70—

103. If the item were drawn on Chicago instead of Bloomington, the name of the drawee bank would be indicated by the number 2—1 or 2—20, or whatever the Chicago bank's number might be.

The numerical system has been endorsed by the Iowa Bankers Association and other state bankers associations, all over the country, and already has been the means of saving from, at least, 25 to 50 per cent in time and labor in registering transit items.

The numerical system has made it possible to list the description of transit items, as well as the amounts, on the adding machine, and in recent tests of speed 150 items have been written on the machine in less than 10 minutes which formerly consumed nearly an hour by the old style methods.

Although it is less than a year since the system was brought to the attention of the banks, the numbers already are in use on prac-

tically all endorsement stamps. All that now is needed to make the system practical for use by all banks is for each bank to print the number on all its checks.

We already have secured the co-operation of a large number of lithographers and printers, who have agreed to print the numbers on all new orders for checks, and steps are being taken to induce all of them to do so.

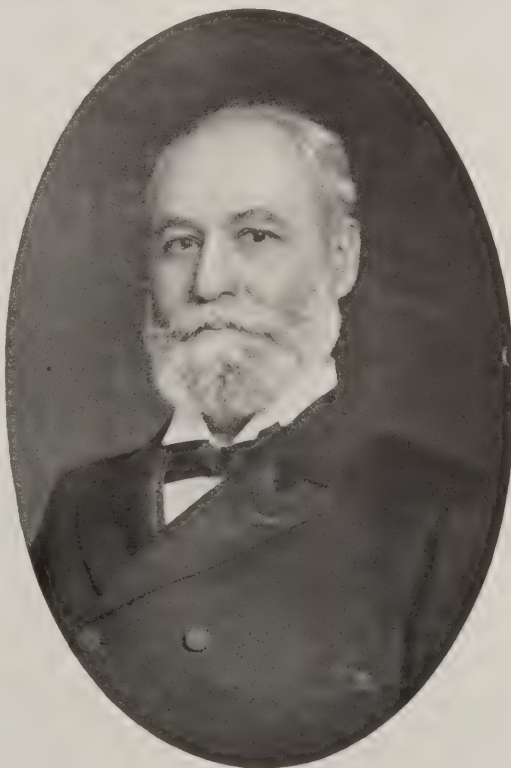
Committees have been organized in many of the large cities for the purpose of pushing the adoption of the system as rapidly as possible. The Chicago committee consists of eighteen members, including a representative from each of the clearing house banks. Each member of the committee, besides pledging his own bank to place its number on its checks, will endeavor to secure the co-operation of all the banking correspondents who carry accounts with his bank, and also will request all city depositors whose checks are ordered direct from the lithographers to agree to print the numbers on their checks.

I would, therefore, suggest that, if action has not yet been taken, arrangements be made during this convention to form committees at once in Des Moines, Sioux City, Dubuque, Cedar Rapids and Davenport, and, if necessary, in other collecting centres, to secure the co-operation of all Iowa banks by requesting them to place the numbers on their checks, so that all banks throughout the state may have the benefit of using the system as soon as possible.

The system can be used to advantage by small banks as well as large, and I trust that every banker attending this convention will co-operate towards making the system an immediate success by placing the number on the checks of his own bank, so that his fellow bankers in the neighboring towns and cities, and throughout all America wherever his checks may circulate, may be enabled to save labor, time and money by the use of the "Numerical System of the American Bankers Association."

B. C. DOWNEY RESIGNS FROM BANK

Indianapolis, Ind.—Brandt C. Downey has been elected general manager of the Greater Indianapolis Industrial Association, to have direct charge of the Mars Hill enterprise. He has submitted his resignation as cashier of the Continental National Bank to the directors, and expects to assume his new duties at the earliest possible moment. It is not known who will succeed him as cashier of the bank.



JOHN T. HAMILTON
President, Merchants National, Cedar Rapids, Iowa

IOWA FARM LOANS

If you have any first class Iowa farm loans to offer write us for terms. *We assure prompt attention.*



SECURITY SAVINGS BANK

CEDAR RAPIDS, IOWA

*Capital and Surplus
Quarter Million Dollars*

OFFICERS

E. M. SCOTT - - President
FRANK FILIP - - Cashier

CONDENSED STATEMENT OF THE Winnesheik County State Bank DECORAH, IOWA

as made to the Auditor of State at the close of business April 3, 1912

QUICK ASSETS	
Cash and due from banks	\$300,505.65
United States 2% Bonds (par)	40,000.00
New York City 3 1/2% Corporate Stock (par)	10,000.00
New York Central Ry. 1st Mortgage 3 1/2% Bonds (par)	10,000.00
C. B. & O. Ry., Ill. Division, 4% Bonds (par)	10,000.00
C. M. & St. P. 1st Mortgage 3 1/2% Bonds (par)	10,000.00
C. St. P. M. & O. Ry. 1st Mortgage 6% Bonds (par)	10,000.00
A. T. & S. F. Ry. General 1st Mortgage 4% Bonds (par)	10,000.00
Demand Loans (Secured by marketable collateral)	165,000.00
	\$565,505.65
RESOURCES	
County and other Warrants and Bonds	153,544.22
Loans and Discounts	879,953.97
Bank Building	15,000.00
Furniture and Fixtures (cost \$9,000.00)	1.00
Total	\$1,614,004.84
LIABILITIES	
Capital	\$ 150,000.00
Surplus	35,000.00
Undivided Profits (net)	18,231.63
Deposits	1,410,773.21
Total	\$1,614,004.84

No re-discounts, no bills payable, no certificates of deposit issued for borrowed money, no obligation of directors or officers held by bank

C. J. WEISER, President
R. ALGYER, Vice-President A. ANFINSON, Cashier
E. W. D. HOLWAY, Vice-President A. C. WHALEN, Asst. Cashier

OUT-OF-TOWN VISITORS

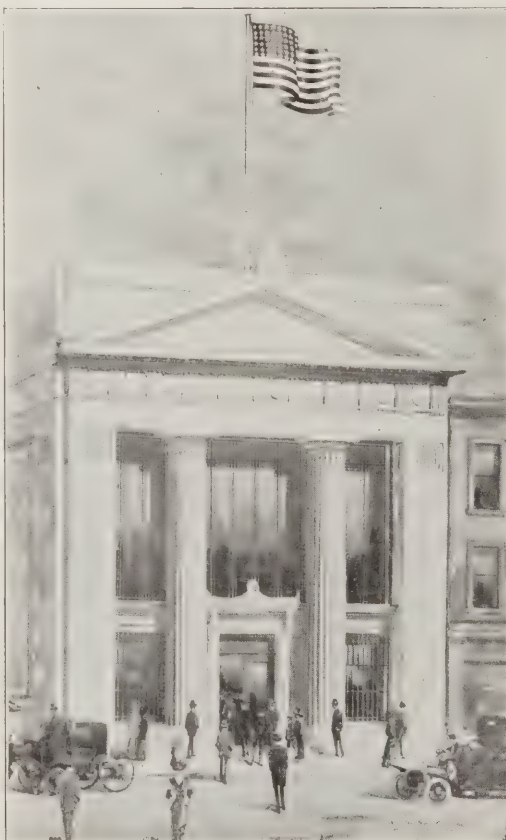
J. W. Wheeler, president of the Capital Trust Company of St. Paul and one of Minnesota's agricultural boosters, was a recent Chicago visitor. Mr. Wheeler says that the group meetings in Minnesota this year have been above the average in interest and attendance. He says that there are excellent prospects for good crops in Minnesota, and reports that arrangements have been made by the agricultural college at St. Paul for the entertainment of the delegates to the Minnesota convention this month, also that a splendid program has been arranged. Arthur D. Robinson, representing the National City Bank of New York, and Beverley D. Harris, vice-president and cashier of the South Texas Commercial National Bank of Houston, also were callers in the financial district during the past week. E. V. R. Thayer, president of the Merchants National of Boston, called on Chicago banking acquaintances. Mr. Thayer is interested in the stockyards here and in Kansas City. He is a member of the board of directors of a great many of the largest financial and manufacturing concerns in the New England states. F. G. Pousland, treasurer of the Old Colony Trust Company of Boston, also was a visitor. Mr. Pousland is conceded to be one of the biggest bankers in the East. Among other prominent bankers recently seen in Chicago are J. W. Perry, president of the National Bank of Commerce, Kansas City; William Ontjes, cashier of the Sioux Falls (S. D.) Savings Bank. He says that the crop prospects in South Dakota never were better. South Dakota has had an abundance of rain this season and everybody is feeling good. T. C. Richardson, president of the Granger Bank, Evansville, Wis., called on Chicago banking acquaintances the past week.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

DAN NORMAN of the Continental and Commercial National has been appointed to invite visitors to the weekly luncheons of the Chicago Association of Commerce at the La Salle at 12:15. The "cats" are fine. Call Dan up, and he will assign you a good seat.

CHAIRMAN ARTHUR REYNOLDS has R. E. James of Easton, Pa., O. E. Dunlap of Waxahachie, Texas, and John J. Sherman of Appleton, Wis., all members of the Big Council, on the Fidelity Bond and Burglary Insurance committee.



CENTRAL STATE BANK
Des Moines, Iowa

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

FOR SALE—Bank Stocks

We Have For Sale the controlling interest in several banks in the Northwest and requiring \$6,000 to \$20,000. No trades. Your inquiries treated in strict confidence. C. B. Enkema & Co., 236 Security Bank Building, Minneapolis.

THIS is in keeping with the resolution passed at Briarcliff to appoint committees hereafter, so far as possible, from members of the council. John L. Hamilton for several years headed this committee, which was made up entirely outside of the council list. The old committee resigned at Briarcliff.

MEMBERS of the new committee have been selected for their experience and ability and because of their well known talent for effective work. James is an attorney, trust company banker, and an ex-legislator. Dunlap and Sherman also have special qualifications.

THE Kansas papers say that B. F. Harris "spoke very interestingly for an hour" at the big Topeka convention, but we have it direct from Bowman that he "talked but 33 minutes."

REMINDS one of a story. The late Billy Emerson was asked, "Why is it that married men live longer than single men?" "They don't," said Billy; "it only seems longer." Get the point?

TALK continues about the creation of a committee on uniform state banking laws for the A. B. A. This is not an idea of supplanting existing committees concerning special subjects but has reference first of all to supervision and inspection and the creation in each state of a state banking department.

THE general subject has been under discussion quite a number of different times in the American Bankers Association. Prior to 1909 the association had a committee on uniform laws which was composed of Edward D. Keys of Springfield, Homer Miller of Des Moines, and Geo. F. Orde of Minneapolis. The purpose of this committee was along similar lines but public sentiment had not been created then as now.

THE association also had a committee known as "Standing Law Committee," which served until the spring of 1910. At that time a committee known as the "Law Committee," of which Pierre Jay is chairman, was appointed, the purpose being to particularly look after segregation of savings deposits, or at least make an inquiry into savings deposits, and also to have charge of the question of uniform state laws.

THE trust company section has two committees on laws, one being a committee on legislation and the other, a committee on

protective laws. The savings bank section also has a law committee, of which Lucius Teter of Chicago is chairman.

ALL of these committees were appointed with the view of keeping in touch with the various laws needed in the different sections, as well as to secure in so far as possible the passage of uniform laws. By referring to the annual issued by Secretary Farnsworth, those interested will secure all of the information desired on these committees.

PIERRE JAY rendered a report at Briarcliff which he regarded as final for his committee, and it was a very able paper. The purpose, in part, was defeated by the splendid team work of a couple of masterful Pennsylvanians.

THE new plan to co-operate with the Uniform Law Commissioners representing all the states must, then, come up as new business on the floor of the convention. If a new uniform law on bank supervision and inspection, as well as covering banking in the states, is to come before the legislatures in all the states the A. B. A. ought to have a finger in the pie. It's a big issue and will engage the attention of big men.

KANSAS had an A. B. A. rally or revival meeting at Topeka at which fifty new members for the national organization were obtained. Two or three other states we could mention might qualify each an additional member of council by the same plan. Who will be the revivalist for Illinois, when she gets back to holding her conventions in the season?

AS a result of the Harris talk at Knoxville, Tennessee will have an agricultural committee and Mr. Harris' paper will be circulated as its first document. Good work.

J. N. FISHER, of Morristown, is the new president of the Tennessee Bankers Association. Other officers chosen are: Vice-presidents—East Tennessee, J. W. Willis, Greenville; Middle Tennessee, W. N. Kannon, Jr., Franklin; West Tennessee, J. N. Harminson, McKinzie.

I. B. TIGRETT is the new Tennessee vice-president for the A. B. A., and J. P. Gaut of Knoxville goes on the Detroit nominating committee.

SECRETARY F. M. MAYFIELD has made a good record in the office and was unanimously re-elected.

HOWARD WOLF, secretary of the clearing house section of the American Bankers Association, spoke on the numerical system of that association, and urged its adoption by the Tennessee association.

T. R. PRESTON, of Chattanooga, discussed the advantages of the system recommended by Mr. Wolf, and also told of benefits to be derived from membership in the American association. As a result of his address, the Tennessee membership in that association was increased from 160 to 300. Some record for Preston.

MR. PRESTON paid a tribute to Frank O. Watts, of Nashville, an ex-president of the American Bankers Association. He said that Mr. Watts reflects much credit on Tennessee, the American Bankers Association and the bankers' business generally.

FRANK K. HOUSTON, of Nashville, presented a resolution strongly endorsing the National Conservation Exposition to be held at Knoxville in 1913 and placing the association on record as favoring the exposition and memorializing congress to pass favorably upon the appropriation bill now before that body.

AMONG the distinguished visitors who attended the meeting at the Tennessee Bankers Association convention was Samuel Cassidy, of Louisville, Ky. He is president of the National Bank of Commerce of that city and has the distinction of having been in the banking business longer than any other banker in the state of Kentucky.

JAMES J. TOWNSEND has been complimented with another term as president of the Chicago Stock Exchange.

GOVERNOR FOSS has just signed a bill appropriating \$5,000,000 for good roads in Massachusetts.

OYSTER BAY (N. Y.) BANK has doubled its capital stock—probably by way of overanticipation?

SECRETARY WILLIAM J. HENRY has sent out formal invitations for the New York convention at Buffalo on June 13th and 14th. The secretary's office is at 11 Pine Street. If you are going, please notify him promptly.

CHICAGO TITLE AND TRUST is tipped off as a "good buy" at present prices.

MISSOURI has more than four and one-half millions in the state treasurer's hands. That's the job R. S. Hawes should have gone after.

AND now the Millers Association has taken up agricultural education. Chance for another alliance for the Farmers Friend, right where the millers live, too. Why not invite them to the Second Conference?

SUBURBAN nationals with less than the regulation \$200,000 capital are a thing of the past in Chicago. What will be done to those which slipped through under a misconception of the law hasn't been determined. Nothing worse than the guillotine has been suggested.

THE slip-gap was "any place," which was interpreted to mean any part of a large city having a local title. Very ingenious!

EDWARD F. CRAGIN, formerly of Chicago but now of New York, was arrested the other day for allowing a man to loan him \$2,000 under the impression that Cragin was an official in a certain large corporation. 'Tis a funny world!

GROUP 6 at Tuscola, on Tuesday, had a fine luncheon and several good talks. One by G. W. Telling, president of the group, was especially fine. S. E. Bradt of DeKalb spoke on "Hard Roads," and Dr. W. E. Taylor on

"General Farming." Robt. W. Bonyng of Denver represented the National Citizens League in a strong currency address.

SPEAKING of the Pujo investigation, the National City Bank circular (Chicago) says that "the banks are operated honestly and have nothing whatever to conceal, but it is perfectly reasonable for them to act most cautiously in a matter which involves the giving out of information concerning the private affairs of those with whom they do business."

CHARLES WILLIAM BURROWS of Cleveland, president of the one-cent letter postage association, will address the members of the Chicago Association of Commerce at the Wednesday luncheon at the La Salle Hotel next week. He is a distinguished literary man and a fine speaker.

L. H. SCHROEDER, manager of the Central Trust bond department, says of gas bonds that "bonds secured upon established gas properties in growing communities are recognized as among our safest investment securities. It has been stated that upon approximately \$400,000,000 of such bonds outstanding less than 1 per cent of the interest is in default, and that this record is equaled by no other form of investment with the single exception of United States government bonds."

GILES L. WILSON, a widely-known national bank examiner, has been elected a vice-president of the Florida National Bank at Jacksonville and will enter upon the duties of that office June 15th.

MR. WILSON'S field has been South Carolina and part of Georgia. G. E. Garner is president of the Florida National, Arthur F. Perry and J. R. Parrott vice-presidents along with Mr. Wilson, and W. A. Redding is cashier.

"FATHER," said the little daughter of Joseph Chapman, Jr., after that distinguished pro-farmer had returned from doing a fruitless Marathon behind a runaway calf at the Chapman Minnetonka farm, "father, how do you ever expect to keep the boys on the farm when you can't do it with the calves?"

RUMOR has it that the 19-year-old daughter of D. R. Forgan is having marked success in her operatic studies in Paris. Her instructor rates her singing voice as strictly in the first rank.

CASHIER.

SPECIAL TRAIN TO GROUP MEETINGS

A special train left Chicago on June 4th with many Chicago bankers on board, who intended being present at various Illinois groups meetings held at Tuscola, Jacksonville and LaSalle. Group 6 held its meeting at Tuscola on June 4th; Group 8 at Jacksonville on June 5th; Group 5 at LaSalle on June 6th, and Group 3 at Dixon on June 7th. Those on the train were: Hon. Robt. W. Bonyng, member monetary commission from Colorado; S. E. Bradt, DeKalb, chairman good road committee Illinois Bankers Association; R. L. Crampton, secretary Illinois Bankers Association; E. F. Schoenck, Corn Exchange National; W. G. Edens, Central Trust Co. of Illinois; C. B. Hazlewood, Union Trust Company; Chas. H. Fox, Chicago Savings Bank and Trust Co.; James P. McManus, First National; Thomas E. Newcomer, Fort Dearborn National; George A. Jackson, Continental and Commercial National Bank; E. D. McCullough, National City Bank; F. D. Letz, Merchants Loan and Trust Co.; C. R. Hieronymous, Harris Trust and Savings Bank; R. E. Gamble, Drovers Deposit National; Charles Oliver, Live Stock Exchange National; I. H. Christian, I. H. Christian Company.

BONDS PAYING 5 TO 6%

	To Net You
Spokane & Inland Empire R. R. 5s (1926) - - - - -	5.00%
Virginian Railway First 5s (1962) - - - - -	5.05%
E. St. Louis & Suburban 5s (1932) - - - - -	5.25%
California Gas & Electric Un'g & R'g 5s (1937) - - - - -	5.27%
Springfield (Mo.) R'y & L't 5s (1926) - - - - -	5.50%
United R's St. Louis Gen'l 4s (1934) - - - - -	6.00%
Street's Western Stable Car 5s (1916) - - - - -	6.00%

Send for full descriptions of these and other Municipal, County, Railroad and Public Service Corporation Bonds—all thoroughly safe and adapted to the most advantageous investment of the funds of your institution. We shall be glad to reserve bonds for July delivery. Write us today.

D. Arthur Bowman & Co.

Third National Bank Building

ST. LOUIS, MO.

ALL BRANCHES OF BANKING

1857



1912

ORSON SMITH - President P. C. PETERSON - Assistant Cashier
 EDMUND D. HULBERT, Vice-President C. E. ESTES - Assistant Cashier
 FRANK G. NELSON - Vice-President LEON L. LOEHR - Sec'y and Trust Officer
 JOHN E. BLUNT, Jr. - Vice-President F. W. THOMPSON, Mgr. Farm Loan Dep't
 J. G. ORCHARD - Cashier H. G. P. DEANS - Mgr. Foreign Dep't

CAPITAL AND SURPLUS - \$9,000,000



*If You Desire to Collect Your Out-of-Town Items Promptly
 send them to The National City Bank of Chicago*

Correspondence Invited

THE NATIONAL CITY BANK
OF CHICAGO

Capital - - - - \$ 2,000,000.00
 Surplus and Undivided Profits 587,563.63
 Deposits - - - - 30,713,013.20

OFFICERS

ALFRED L. BAKER - DAVID R. FORGAN, President
 H. E. OTTE - Vice-President HENRY MEYER - Assistant Cashier
 F. A. CRANDALL - Vice-President A. W. MORTON - Assistant Cashier
 L. H. GRIMME - Cashier WM. N. JARNAGIN - Assistant Cashier
 W. T. PERKINS - Assistant Cashier WALKER G. McLAURY - Assistant Cashier
 W. D. DICKEY - Assistant Cashier R. U. LANSING - Manager Bond Dept.
 M. K. BAKER - Asst. Manager Bond Dept.

Fourth Street National Bank
OF PHILADELPHIA

Capital - - - \$3,000,000.00
 Surplus and Profits 6,500,000.00

UNEXCELLED COLLECTION FACILITIES
 CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board
 E. F. SHANBACKER, President FRANK G. ROGERS, Vice-President
 JAMES HAY, Vice-President R. J. CLARK, Cashier
 B. M. FAIRES, Vice-President W. A. BULKLEY, Assistant Cashier
 W. K. HARDT, Assistant Cashier

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SAVES

all the bother
 and worry of
 counting and
 picking up
 small coins.

Saves 25% in
 time.

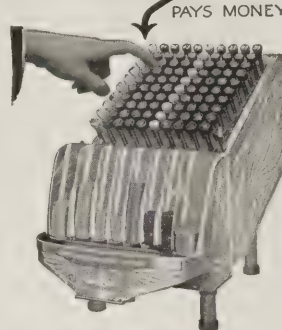
Prevents

errors.

It's

automatic.

PRESS ONLY ONE KEY
 PAYS MONEY



Pressing ONLY ONE KEY
 Completes the Transaction

COSTS

less than
 5 cents a day
 to own.

Requires no
 supplies — no
 repairs.

TEN-YEAR
 guarantee.

BRANDT CASHIER COMPANY
 727 SO. DEARBORN ST. CHICAGO

New Trains to ST. LOUIS

VIA THE

NEW ALL-STEEL TRAIN
DAYLIGHT SPECIAL

Leaves Chicago 10:02 a. m., arrives St. Louis (via Merchants Bridge) 6:02 p. m. New Indestructible Steel Cars of Handsome Interior Finish. Every comfort and convenience will be found on this train.

NEW EVENING TRAIN
ST. LOUIS EXPRESS

Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m. An up-to-date train in every particular, with an early evening departure from Chicago.

New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped throughout, with a late evening departure from Chicago. Stops made in both directions at South Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars, Sleeping Cars. Free Reclining Chair Cars and Coaches.

ALL TRAINS ELECTRIC LIGHTED

TICKETS, FARES AND SLEEPING-CAR RESERVATIONS AT

ILLINOIS CENTRAL

City Ticket Office 76 W. ADAMS ST. Commercial National Bank Building
 R. J. CARMICHAEL, D. P. A. Phone Central 6270

The Girard National Bank
OF PHILADELPHIA

Capital - - - \$2,000,000
 Surplus and Profits 4,716,000
 Deposits - - - 46,275,000

FRANCIS B. REEVES
 President

RICHARD L. AUSTIN
 Vice-President

T. E. WIEDERSHEIM
 Vice-President

JOSEPH WAYNE, JR.
 Vice-President & Cashier

CHARLES M. ASHTON
 Assistant Cashier

CHARLES F. WIGNALL
 Assistant Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

JUNE 15, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago, Illinois, under Act of March 3, 1879

10 CENTS A COPY

George B. Caldwell

If the "investment bankers section" could have had the team work behind it which went into operation at the annual election of Oak Park Club on Wednesday, a different story would have been recorded at Briarcliff. There were two tickets up, but George B. Caldwell was elected president by a very handsome majority. He should play the home team at Detroit. Hits must be bunched.

CHICAGO BANKERS ATTEND MINNESOTA CONVENTION

Among the Chicago bankers who left this week to attend the sessions of the convention of the Minnesota Bankers Association held in the agricultural college, a department of the University of Minnesota, at St. Anthony's Park, midway between St. Paul and Minneapolis, on June 14th and 15th, are Thomas E. Newcomer, assistant cashier of the Fort Dearborn National; Henry Meyer, assistant cashier of the National City; R. F. Newhall, assistant cashier of the First National; W. W. Gates, assistant cashier of the Central Trust; James G. Wakefield, assistant cashier of the Corn Exchange National, and Messrs. Thompson and Hanson of the farm loan department of the Merchants Loan and Trust Company.

GROUP 2, ILLINOIS, AT PEKIN

Pekin, Ill., June 12.—The eighth annual meeting of Group 2 of the Illinois bankers organization was held to-day, being attended by 150 bankers. John D. Phillips of Green Valley was endorsed for president of the state organization and the following officers of the Group were elected: President, C. H. Ireland of Washburn; vice-president, J. M. James of Pekin; secretary, W. C. White of Peoria; treasurer, O. D. Covington of Havana; vice-president state association, William Mead of Chillicothe; member state executive committee, M. O. Williamson of Galesburg.

NEW QUARTERS FOR FOREMAN BROTHERS

Foreman Brothers Banking Company recently have taken the space formerly occupied by the Metropolitan Trust and Savings Bank in the Stock Exchange Building, LaSalle and Washington streets. During the past four years the deposits of the company have doubled, being now over ten millions, with a capital and surplus in excess of a million and a half.

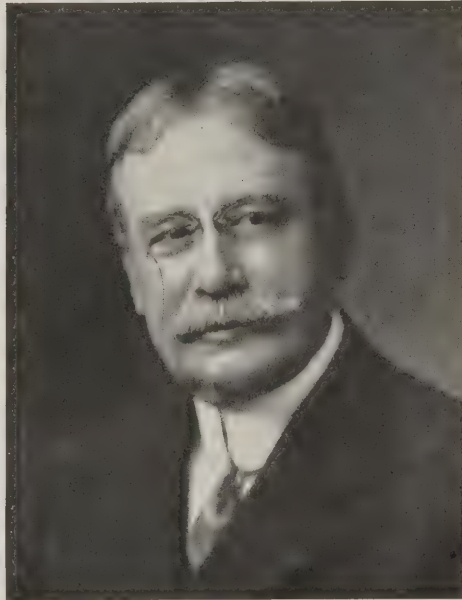
NEW BUILDING FOR COLONIAL TRUST AND SAVINGS

The Colonial Trust and Savings Bank of Chicago is contemplating the erection of a new bank building. Their new home will cost about \$100,000, and will be located at 158-62 West Adams Street.

CHICAGO SAVINGS STRONG LIST

The Chicago Savings Bank and Trust Company offers in this market \$700,000 of the first mortgage 5 per cent ten-year bonds of the Jackson (Miss.) Light and Traction Company. The price is 96 and interest.

Two Favorites With Group 4 Members



WILLIAM J. FENTON
CHICAGO



GEORGE WOODRUFF
JOLIET

MEMBERS of Group 4, Illinois, in the beautiful village of Yorkville, voted their compliments to, and confidence in, two of their number. William J. Fenton, vice-president of the National Bank of the Republic, was unanimously endorsed for membership on the A. B. A. Executive Council to succeed Nelson N. Lampert, retiring. George Woodruff, the popular young president of the First National at Joliet, was elected to membership on the Illinois Council. Both were rewards of merit, for things done and goods delivered. Illinois will elect two, possibly three, members of the Big Council. Ex-president E. E. Crabtree is favorite for successor to Wm. George of Aurora, retiring. Group 4 bankers meant by their votes for Mr. Woodruff to put him in the race for chairman of the body to which they elected him.

H. H. Hitchcock

Howard H. Hitchcock, vice-president of the First National of Chicago, who has been on a vacation up in Canada, recently returned to the city.

PERE MARQUETTE DIFFICULTIES

Farmers Loan and Trust Company has filed objections to the Pere Marquette issue of \$3,500,000 receivers' certificates, and Attorney General Kuhn of Michigan has filed a petition for intervention in behalf of the state, charging the loss of millions through excessive capitalization, financial juggling and incompetent management, resulting in deterioration of property. Hearing was set for June 24.

ELGIN BANK OFFICIALS SUMMONED

Subpoenas for D. E. Wood, president; M. C. Getzelman, vice-president, and five other officials and employees of the Elgin (Ill.) National were taken to that city Wednesday to command their appearance before the federal grand jury now in session in Chicago. The witnesses will be examined with a view to the

indictment of Louis N. Seaman, former cashier of the bank, who was arrested Tuesday in Los Angeles by government agents for alleged peculations amounting to more than \$100,000.

NEW LISTINGS ON N. Y. EXCHANGE

The governing committee of the New York Stock Exchange has listed Guggenheim Exploration Company, \$15,038,800 capital stock; Ontario Power Company of Niagara Falls, \$14,000,000 first mortgage fifteen-year 5 per cent gold bonds, due 1923; Chicago, Terre Haute & Southeastern Railway Company, \$3,950,000 first and refunding mortgage fifty-year 5 per cent bonds, due 1960; Cleveland, Cincinnati, Chicago & St. Louis Railway Company, \$5,000,000 twenty-year 4½ per cent debentures.

CHICAGO TITLE AND TRUST EARNINGS

Net earnings of the Chicago Title and Trust Company in the six months ending June 30th will be close to \$380,000, according to present indications, or 7.6 per cent on the \$5,000,000 capital. This is at the rate of 15.2 per cent for the full year.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS	President
RALPH VAN VECHTEN	Vice-President
ALEX. ROBERTSON	Vice-President
HERMAN WALDECK	Vice-President
JOHN C. CRAFT	Vice-President
JAMES R. CHAPMAN	Vice-President
WM. T. BRUCKNER	Vice-President
WM. G. SCHROEDER	Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH	Cashier
HARVEY C. VERNON	Assistant Cashier
GEO. B. SMITH	Assistant Cashier
WILBER HATTERY	Assistant Cashier
H. ERSKINE SMITH	Assistant Cashier
JOHN R. WASHBURN	Assistant Cashier
WILSON W. LAMPERT	Assistant Cashier
DAN NORMAN	Assistant Cashier
FRANK L. SHEPARD	Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

GEORGE M. REYNOLDS
President

JOHN JAY ABBOTT
Vice-President

GEO. B. CALDWELL
Vice-President

OFFICERS

CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

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Letters of Credit and Travelers' Checks

Available Everywhere

Your own Banker can supply them

KNAUTH, NACHOD & KÜHNE, Bankers
NEW YORK LIEPZIG, GERMANY

Fort Dearborn National Bank CHICAGO, ILLINOIS



United States
Depositary

Capital	\$2,000,000
Surplus and Profits	600,000
Deposits	27,000,000

Comparative Showing of Deposits

February 14, 1908	\$ 9,887,954.84
February 5, 1909	11,617,691.24
March 29, 1910	15,041,357.21
March 7, 1911	21,574,956.79
June 7, 1911	23,137,746.88
September 1, 1911	24,500,075.82
December 5, 1911	25,445,199.89
February 20, 1912	26,207,446.32
April 18, 1912	27,287,752.30

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Ass't Cashier CHARLES FERNALD, Ass't Cashier
THOMAS E. NEWCOMER, Ass't Cashier WM. W. LeGROS, Ass't Cashier
HARRY LAWTON, Mgr. Foreign Dept.

We particularly desire accounts of banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you.

Drovers Deposit National Bank OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-eight years rendered Efficient and Quick Service to its Correspondents

Resources, Nine Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER
GEO. M. BENEDICT
WM. C. CUMMINGS



Mainly About Banks and Bankers

FRANK D. BRUNDAGE, New York, says the Iowa convention was the largest state convention ever and that the program got next, even to the old-timers. From visiting a dozen such and listening to the gossip, he concludes that Mr. Cogswell of Albany will have little if any opposition for the chairmanship at Detroit.

"DETROIT convention," said Brundage, "will be the record. At first the hotels stumbled and fumbled a little over reservations, but now every one has been fixed up and the hotel committee has rooms to spare. Farnsworth has been scratched off the unfair list even by the kickers."

GEORGE E. ALLEN, 11 Pine Street, who spoke at Cedar Rapids, stopped over a day in Chicago to visit with Rubecamp, Jackson, and the other high-steppers of the Chicago Chapter. He is enthusiastic over the coming Salt Lake convention of the A. I. B.

WE hear that Wm. A. Heath is going to resign as A. B. A. vice-president for Illinois so that Latham T. Souther can serve at Detroit. The hit-or-miss system of holding the Illinois convention has been such that Heath, who was appointed once and elected once, hasn't yet had a chance to preside at a meeting of the Illinois members.

HE doesn't want Mr. Souther to get the same kind of a deal. When Wm. A. doesn't do the fairest and kindest thing he can think about it is a cold day. Then there's John D. Phillips? He gets the short-end just as Crabtree did. Who is big enough to put Illinois in line?

CONTINENTAL AND COMMERCIAL SECURITY COMPANY, capital \$6,000,000, has been incorporated at Springfield by a company of which George M. Reynolds and others were the incorporators. This company will build the new Continental and Commercial building which will total, in the end, ten and one half millions.

NO stock will be sold—possibly some bonds—and the national and the two trust companies will own and occupy the building, the largest banking plant in the country, if not in the world.

"ROOSEVELT is the biggest bluffer that ever happened, but he is also the quickest quitter. Witness his back somersault on Root for temporary chairman. Apparently, too, he has abandoned his great project of turning out national committeemen who have 'ceased to be in touch with the people.'" — Harper's Weekly.

ONE of our wisest friends tells us that bankers' associations which formerly elected one of their own members to be secretary made one big error when they hired a paid secretary by "electing" him also. He should have been "hired" only and kept while efficient, courteous, and obedient.

THINK it over! More in it than at first you will agree. It is a trouble saver and will keep at rest the problem as to whether or not

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co.

Commercial Paper

Bankers

H. W. LADEWIG, Chicago Manager

111 W. Monroe Street

Chicago

he is an executive, an official or an employee. Being elected is what spoils the light headed individual for acceptable service.

"THE Town of Crooked Ways" isn't Joliet or Chicago, but a new story by J. S. Fletcher, who wrote "Daniel Quaine." It is a study of life in a little country town with a bunch of realism thrown in. Published by Dana Estes & Co., Boston.

WE understand there likely is to be an Iowa round-robbin against the Journal-Bulletin because it spells the name of that distinguished Decorah banker—"Curtain." Neither Henry Carpenter nor Dave McKee will stand for such a defamation of history.

OH, yes, when he gets through speaking it we are going to print the B. F. Harris agricultural address. George E. Allen, a distinguished New York farmer, says it's good.

REALLY, you know, the boys on the council were pretty cute at Briarelliff on the round-robbin subject. The petitioners thought to get a committee appointed on whom they could work in a body, and that the committee would think it "wise" to report favorably.

THE program was reversed, however, and now a committee of the kicking publishers will appear before the council as a whole, which will be a totally different matter. This will put the question not by favor but on its merits.

GEORGE S. PARKER of Sioux City was kept rather busy at the meeting of Group 11 of the South Dakota Bankers Association. Mr. Parker was on the regular program for a talk on securities, and presided as toastmaster over the banquet program in the evening.

SEATTLE NATIONAL gets out a trade and crop bulletin twice a year, and the spring edition is being sent out at present. It contains brief comment on the National Monetary Commission bill by leading bankers of Washington, Oregon, Idaho and Montana, as well as the subject-matter which is covered by the title.

ATENTION is called to the expansion of the foreign commerce of the Pacific seaboard in the past ten years, and the prediction is made that all records will be broken when the Panama Canal goes into operation.

THE Seattle National believes not only in getting more people back on the farms but in teaching them how to get more out of their labor after they get them there. Attention is called to the thousands of acres of cut-over lands which may be had cheaply, the fertility of which is not doubted. In fact, the great Northwest has "room for millions to come."

IT is believed in Seattle that Washington, Oregon, Idaho and Montana, with favorable weather, will produce this year the largest crops ever harvested. There has been a large increase in acreage and the present indications are that there will be a large yield.

THE live stock industry is attracting the attention of the Northwest and dairying and poultry products have shown enormous gains, particularly in the last two years.

ON Friday of this week Group 3, Indiana, met on the farm of A. G. Lupton, near Hartford City. Automobiles conveyed the delegates to and from the farm, where a country dinner was served, which the visitors said was the "real thing." There were talks by Prof. Skinner of Purdue University, Dick Miller of Indianapolis, and Robert L. McCabe, chiefly on banking topics. Banker Lupton's farm is one of the most famous of its kind in America. He is the largest producer of Shetland ponies in the country.

PRESIDENT D. S. CULVER of the Minnesota Bankers has called attention to the fact that it has been the custom for many years in his state to submit the presidential address to the members of the executive council before making it public. There may have been a necessity for this proceeding at some time, but certainly it operates against that publicity which such a document otherwise could give to the state association and its affairs.

SO far as is known this is the only state where the president's annual address is subject to this form of "supervision and inspection."

SECRETARY F. H. COLBURN of the California Bankers Association has issued a bulletin covering the proceedings of his convention, giving the convention detail, but none of the addresses, which in this particular instance were very entertaining. He labels his first bulletin No. 1, and leads one to anticipate future issues.

WORD comes from St. Louis that Mr. Huttig is taking things quietly at his residence at 37 Washington Terrace, and that he is not engaging strenuously in banking matters just at present. He continues to improve in strength in a very satisfactory degree.

RUMOR has it that several mysterious persons are engaged quite busily in buying up private banks in Illinois, the ostensible purpose being to convert them into state institutions.

(Continued on page 31)

SOLICITS

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The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

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The record of forty-eight years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

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FIRST NATIONAL BANK MINNEAPOLIS

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CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
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ALL BUSINESS OF A GENERAL NATURE

DOES THIS NOT APPEAL TO YOU?

Banking Conditions in State of New York

Custom makes it the duty of your president to address the members of the association at our annual convention, and it gives me great pleasure to perform that duty and to welcome you here to-day.

Since our last meeting the financial condition of the country has been unsatisfactory, from the standpoint of the manufacturer, the business man and the banker. The uncertainty and unrest which have prevailed, coupled with the political activities of the past few months, have made the conservative element refrain from engaging in new undertakings and become more careful in concentrating its available assets. This has naturally led to a decided decrease in our normal business, and while fundamentally conditions are on a sound basis, we have much to hope for before we experience the energy in business enterprises which existed before the present period of political agitation.

In this association, as in others, the term of office gives to your officials and executive council only time to inaugurate plans and changes which it is deemed are for the best interests of the association, and it is for our successors to carry to a conclusion the suggestions which are made in a previous administration, and are thought worthy of continuance.

In this connection I desire especially to call your attention to the appointment by the executive council during the present year of two committees. Their object and aims are of the first importance and I would urge upon you the necessity of their continuance by the association, and ask the hearty support of all in the good work which it is my earnest hope these committees will accomplish. I refer to the committee on currency reform and the committee on agricultural development and education.

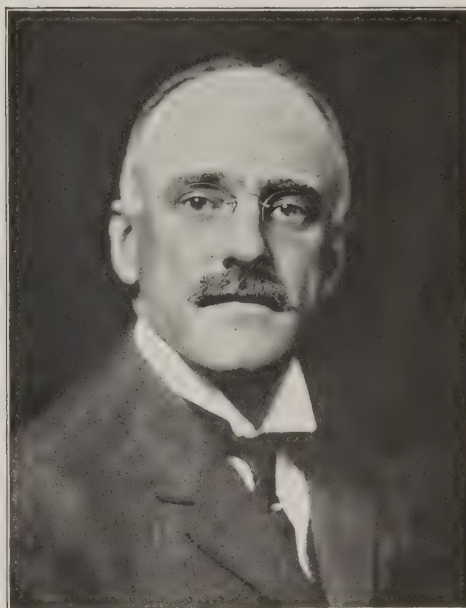
With the feeling of unrest, and the false doctrines which it seems is the desire of some of our public men to engender in the minds of the people, we are led to question the sincerity of a large portion of those in public life, and it should be our aim to so educate, not only those in our calling, but all with whom we come in contact, that they may be able to think for themselves and realize the need of legislation which will insure the much needed and best currency reform that can be suggested by those who have made a study of the needs of the country in that direction, assisted by those whose every day life is devoted to the practical necessities of this wonderful country of ours, still in its infancy.

We should, as far as possible, forget our selfish interests, and endeavor to support that which will be for the benefit of all. We owe to the succeeding generations a legacy that will insure stability in a currency system, and one that will stand the test of time and make easier the task of those who succeed to our duties.

During the past few weeks, a request has been made by the committee on banking and currency of the house of representatives, of the national and state banks and trust companies of this and other states, to furnish certain information about their business. Many of our friends thought that compliance would be

Able address of President Walter H. Bennett at the Buffalo convention. Gives agricultural development and education a boost and counsels co-operation with the congressional committee on currency and banking

a departure from the policy and practice of banks for many years, of holding confidential all transactions with their customers. In maintaining that principle, banks may be subjected to hasty criticism or misunderstanding.



W. H. BENNETT
New York City. President New York Bankers Association

but it is believed that all thoughtful members of the community will approve our course. It goes without saying in this audience that the representatives of our banks should be deemed the best advisers in respect to financial questions, and more particularly so when political exigency may afford opportunity to the advocates of false theories to misrepresent the conservative course to which bankers should adhere. It would appear proper that the bankers of this state here assembled express their opinion as to our duty in guarding the interests of those for whom we act substantially as trustees, and as to the method in which we may best render assistance to those who are conscientiously endeavoring to improve our monetary system. It is peculiarly appropriate for this association to consider the principles involved in a matter of this kind. On the one hand, many of the questions asked by the committee would involve the public disclosure of the confidential relations existing between the various banks and their customers, while on the other hand, there is the high authority reposed in our national legislature and the consideration of due respect to this important committee. Moreover, it should be the aim of banking interests generally to aid

in the proper and wise reconstruction of our monetary system.

There are many theories advanced, which it is claimed will quell the endeavor to instill unrest in the minds of the people, and the one that strongly appeals to me is that which makes possible insuring the wage earner a calling that will be suited to his physical and mental heritage, and that will yield him an adequate compensation.

During the past twenty-five years we have seen the overcrowding of the cities and the depopulation of the farms. There is a cause for this, and it has been suggested to your executive council that it is their duty to study the conditions that exist and endeavor by their help to make possible, by education, the accumulation of a competence at home, in an atmosphere that is more healthful and congenial than that of the crowded cities. In this endeavor we are assured of the co-operation of those in our state who have, because of their efforts, witnessed the good results of the conservation of natural resources.

Your legislative committee has successfully opposed several measures, and has succeeded finally in having passed two bills which the association has been supporting for several years.

Your attention is also called to the organization of a committee on inland exchange. This subject is now being seriously considered by the clearing houses of all the large centers, and we, as an association, should endeavor to obtain views and suggestions from all parts of the state, and be heard, before changes are made or new ideas adopted.

There will be presented at this meeting a recommendation in regard to the conduct of our finances. I urge upon you, the largest of the state associations, to give this recommendation your hearty support and thus remove the certainty of just criticism of the continuance of a condition which we, as bankers, are the first to condemn. If we cannot conduct our affairs so as to obviate the necessity of becoming a debtor, I would recommend an entire change in our procedure.

It has been my endeavor in the conduct of the affairs of the office to apportion the duties over the entire state, and to prevent in every way possible favoritism of any individual or interest. We should give to every member of the association that to which he is entitled, and favor none for personal gain or personal preference.

Before formally surrendering my duties, I desire to express my appreciation of the efficient co-operation of my brother officers and the chairmen and members of the various committees it has been my privilege to name. Your secretary is entitled to much praise for his untiring efforts in behalf of the association, and his desire to place it in a position befitting the great state in whose limits its work is confined.

Minnesota-owned iron mines will ship fully 2,000,000 tons of ore this season, says Samuel G. Iverson, state auditor, who has returned from a week's visit on the Mesaba range. On a royalty basis of 25 cents a ton the state will receive \$500,000 from its iron mines in 1912.

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This accounts largely for our steady growth in customers and resources.

Add, a service prompt in action, reliable in execution, thorough in detail, broad in understanding, and conservative in principle.

These are the reasons why we should secure your business.

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With ample facilities and up-to-date methods this bank is located at the logical collecting and distributing point for the South Atlantic States. **CORRESPONDENCE INVITED**

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Deposits \$5,222,665.86

Resources \$6,817,789.47

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Sec. & Asst. Treas.

PRESIDENT C. J. MONROE TO MICHIGAN BANKERS

The address of President C. J. Monroe delivered at the convention of the Michigan Bankers Association held in Kalamazoo this week was extremely interesting and practical in its nature. Mr. Monroe opened his address by detailing some of the early events leading up to the organization of the Michigan Bankers Association, and the origin of and adoption of the present banking law of Michigan. He also touched briefly on the need of a national reserve association, saying in part:

"When we recall the worry caused by panics, the wrecking of business enterprises and the destroying of property, entailing large losses and depriving thousands of wage workers of their daily bread, necessary raiment and shelter, it ought to stir every thoughtful person to strenuous efforts for their betterment. People who have passed three score and ten years, and have lived in the state, have personal knowledge or knowledge through their immediate ancestors. I remember very well the vivid recital of my father and his contemporaries of the losses and the hardship of the panic of 1837. Coming the year the state was born into the Union, like new enterprises as a rule, whether public or private, the state and its inhabitants were existing on the hand to mouth plan with little or no surplus to tide over the shock. I have a very distinct memory of the panic of 1857, how quickly it came and how it paralyzed all sorts of business and imposed many hardships on wage earners, and how it was aggravated and prolonged by the Civil War with all its destructive influences. With the older bankers I was in the banking business through the panics of 1873-87-93 and 1907 and so shared the common anxiety of the banking fraternity, responsible for the money of the people and helpless to command the ready money to pay any considerable part of it, although having plenty of property, securities and collateral; and none knew better than the bankers that there still was plenty of ready money to run business as usual, except for being checked by a panic stroke and diverted into hiding and idleness. It seems clear that we have not made any progress in warding off panics, for that of 1907 was the most unexpected, the most senseless and needless of any in the past. It came when labor and capital were actively employed, which are the principal handmaids of prosperity. So we must rely on thought, study and painstaking investigation, experience and observation to work out some plan more satisfactory. Certainly, a large amount of information has been gathered from foreign countries and also at home. It is a helpful sign that increased attention is being given to home conditions. The government, like individuals,

must work out its own salvation. Financial salvation must come from a system that fits best into our conditions. I think the sentiment of a large majority of those who have given much thought to it is fairly well settled on three things: a co-operative association including the largest number of banks obtainable, the most rigid exclusion of speculators or speculative banks, and the most definite and exacting provision against expansion, with taxing and other penalties, making it of special interest and even obligation for the return of the currency issued as soon as possible after the emergency is over. With the new and country-wide interest being manifested by individuals and associations of all sorts, it may fairly be expected that public sentiment will be so crystalized that congress will pass the necessary statute."

Mr. Monroe also spoke on the many advantages of the American Institute of Banking in training bank clerks to occupy positions of honor, confidence and trust in the various banks in which they are employed. The Institute now comprises approximately 10,300 bank clerks who are divided among fifty-seven chapters in the larger cities of the country. It is less than twelve years old, and has progressed steadily in importance and membership since its inception. During this period about seven hundred bank clerks, members of the Institute, have been promoted to official positions in banks. The speak-

er pointed out that it is a universally recognized fact that banking, like other professions, requires a special training in order to fit one adequately to discharge the duties and responsibilities of the profession; that while an apprenticeship in a bank was at one time considered as being all that was necessary, it no longer is regarded in that light.

Reference also was made by Mr. Monroe to agricultural development and education, recommending that these subjects be added to the work of the association, and that a standing committee be appointed and authorized in the usual manner for the promotion of interest in these most important topics. Mr. Monroe stated that these matters first appealed to him when he noticed that they were to be discussed at the convention of the Illinois Bankers Association held at Springfield last year; also as a result of the work accomplished at the agricultural conference held in St. Paul last year. After the convention of the A. B. A. at New Orleans. Mr. Monroe attempted to learn what he could of the educational and industrial conditions of the South, making several stops on the way home and questioning and observing all that he could. He told of the boll-weevil scourge in the South and of the methods adopted by the government to check its spread. He spoke of the wonderful prosperity of the South as a result of the movement for agricultural education and vocational training, not only in the increase of manufactures, railroad building, population, schools and better buildings for homes and business, but also the large increase in bank clearings and individual deposits. He said:

"The report of the comptroller for 1911 shows of the seven groups of States by geographical sections, that the southern group increased in individual deposits from June, 1910, to June, 1911, 15.62 per cent; the next, the middle western states, 5.35 per cent, or about one-third as much, and the average for all the groups 4.07 per cent. The southern group also stands second in the volume of increase."

DETROIT BUSINESS MEN TO VISIT CHICAGO

A delegation of Detroit business men representing the Detroit Board of Commerce will arrive in Chicago to-day on the steamer Detroit III, landing at the Goodrich Dock near the Rush Street Bridge. The visitors will be met by a reception committee of the Chicago Association of Commerce, who will see them into automobiles which will be provided for the occasion. At 11:45 sharp the reception committee will act as hosts at a luncheon in honor of the Detroiters in the nineteenth floor banquet hall of the Hotel LaSalle, after which they will attend the ball game at "Sox Park."

Trust Company Service in New York

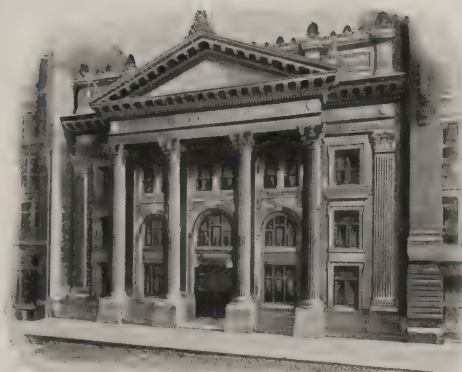
This company, with ample capital, large resources, and an efficient, and well-systematized organization, which dates back to 1864, has the ability and disposition to give good trust-company service.

Our various departments, including banking, foreign exchange, bond, trust, transfer, reorganization and collection, are well equipped with modern facilities for transacting business promptly and economically.

For these reasons we feel justified in cordially inviting the New York accounts of banks and trust companies.

Guaranty Trust Company of New York

Capital and Surplus	\$23,000,000
Deposits	\$178,000,000



125 West Monroe Street
CHICAGO

Central Trust Company OF ILLINOIS

Capital, Surplus and Profits, \$6,000,000
Deposits - - - 42,000,000

Accounts of banks and bankers received upon favorable terms

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

Dean A. F. Woods on Agricultural Education in Minnesota

It has been but very few years since the educational forces and citizens of Minnesota were divided into two contending camps on the question of industrial and especially agricultural education in the secondary schools. The need for better agricultural training was apparent to everybody, but the best method of securing it was a matter of dispute.

Minnesota had taken the first steps in this direction in 1888 before any other state had undertaken to solve the question. Under the auspices of the university and in connection with the agricultural college and the newly established experiment station, a school of agriculture was organized, taking the boys after they had completed the rural schools and giving them a training in the sciences underlying agriculture and country life affairs with special reference to the management of the farm and the farm home. Co-education was established in 1893.

The facilities for instruction in connection with the college and station were unusually good. The instruction in the college and the workers in the station co-operated in the work of instruction and demonstration, and the students received the added benefits of these contacts.

The course was designed to articulate with the farm, the school work covering a period of the winter months when the boys could best be spared from the farm. Short courses of four to six weeks are also organized for those farmers and their wives who could not be away for long, but who desired to know the most approved methods of farm practice and management.

A similar school was later established at Crookston, under the auspices of the university, in connection with a sub-experiment station and farm, and a year ago a third school of this type was organized at Morris in connection with a sub-experiment station and farm.

The success of these schools has been remarkable. They have always been crowded way beyond the capacity. Eighty per cent of the graduates, since the organization of the first school in 1888, are engaged in farming or in work closely allied to it, such as cream-

Distinguished University Educator goes into details in telling what the leading state in agricultural education has accomplished in this interesting and highly productive field. Bankers at Minnesota convention deeply in earnest in the work

ery manager, managing co-operative elevators, etc. Those who have graduated from the school are the leaders in stock breeding, crop improvement, co-operative marketing, co-operative dairies, consolidated schools, road improvement, drainage, home improvement, farmers' clubs, and in other movements tending to make country life pleasanter and more profitable. Every county in the state has from a few to a hundred or more of these men and women demonstrating the better way on their own farms and in their own homes.

When the demand came for more extensive agricultural education, the first thought was to establish more of these special schools, dividing the state into nine districts and providing a school for each. On the other hand, it was argued that even that number could

not begin to furnish facilities needed, and to meet the demand agriculture would have to be introduced into the high schools and rural schools. After full discussion, provision was made by the Legislature of 1909, through the Putnam Act, for aiding ten high schools to the extent of \$2,500 a year, in organizing courses in agriculture, manual training, and domestic art. The greatest difficulty was the lack of trained teachers. There was also much uncertainty as to just what to attempt with the restricted faculty and facilities available at even the best high schools.

About fifty schools made application for the aid. The High School Board, after careful investigation, selected ten apparently best able to provide for the work and well distributed geographically. They were Albert Lea, Alexandria, Canby, Cokato, Glencoe, Hinckley, Lewiston, Consolidated Rural School, McIntosh, Red Wing, and Wells. With the co-operation of the agricultural college and the high school inspector, Mr. Aiton, well qualified teachers were secured for each of these schools. The work started off with enthusiasm and made excellent progress during the year. Two hundred and sixty-six students registered in agriculture for the nine months course, 201 for the short courses of 3 to 6 months, and instruction was given to 544 in the grades.

In domestic science, 418 registered in the nine months course, 101 in the short courses, and 842 grade pupils were instructed. The agricultural college extension workers assisted each of these schools in organizing short courses and extension work. This proved a very valuable feature. Interest in the school was aroused and much assistance given to the farmers in testing corn for germination and other seeds for purity and germination, testing milk for butter fat, testing cows for yield, compounding rations, laying out rotations, making drainage plans, construction of silos, stock judging, organization of co-operative enterprises, and in many other ways entering into the life of the rural community.

Agricultural Education Conference

On July 29-30, 1910, after the close of the first year of work of these schools, a general

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427 CHESTNUT STREET

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Surplus and Profits 1,460,000.00

ORGANIZED JANUARY 17, 1807

Dividends Paid - \$13,267,000.00

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ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS, 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. Corner La Salle and Washington Streets

Capital - - - \$1,500,000

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Deposits over - - - 24,000,000

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conference of educators and others interested in agricultural education met at the university for the purpose of working out a unified plan for the state. Special invitations were sent to members of the legislature, the various educational boards and institutions, superintendents and principals of high and graded schools, the agricultural committee of the Minnesota Bankers Association, superintendent of public instruction, and other educators of neighboring states and of the national government. Representatives were present from all of these sources and took part in the deliberations. After careful consideration and full discussion, resolutions were adopted without a dissenting vote, endorsing the plan.

These resolutions outlined a well-defined educational policy, tending towards a better co-ordination of the parts of the present system. The discussions which were printed in full in the report of the state superintendent of public instruction for 1909-10, contain much valuable matter relating to all phases of the problem. The most important result was the evident determination of every one representing all parts of the educational system from the rural school to the university, the state departments, the legislature, the national government, the bankers and merchants, business and professional men generally, to work together in harmony in organizing the best possible educational system for Minnesota.

The general plan provides, first, for improved rural schools with state aid sufficient to stimulate consolidation or association; second, for the introduction of agriculture, manual training, and domestic art into the high schools as rapidly as facilities can be furnished and competent teachers provided; third, for the continuation of the schools of agriculture under the control of the university as schools of agricultural technology, open to graduates of consolidated schools or agricultural high schools for more extended work in practical agriculture and the establishment of similar schools for other industrial arts to supplement the work of the regular high schools; for the training of teachers in industrial subjects in

the summer training schools, normal courses in high schools, normal schools, and the college of agriculture.

The legislature for 1911 made substantial provision to carry out all of these recommendations. The high school board was authorized to select twenty additional schools under the Putnam law, each to receive \$2,500 a year. Provision was also made under the Lee-Benson act to give \$1,000 a year to any high school or graded school that should suitably provide for the teaching of agriculture and home economics or manual training. Provision was also made under the Holmberg law for \$1,500 aid for four-room consolidated schools, \$1,000 for three-room, \$750 for two-room. A principal capable of teaching agriculture, with proper equipment, including at least two acres of ground, must also be provided.

State aid for industrial contests and agricultural extension work was also liberally provided.

The wisdom of these provisions has been abundantly demonstrated during the last year. The 20 additional Putnam schools were quickly and wisely selected as follows: Bemidji, Deer River, Cloquet, Fergus Falls, Hector, Kasson, Litchfield, Little Falls, Madison, Milaca, Northfield, St. James, Sleepy Eye, Spring Valley, Thief River Falls, Warren, Westbrook, Wheaton, Willmar, and Worthington. All together about 85 out of the 207 state high schools have introduced agriculture, manual training and home economics. The country has been scoured for teachers. The greatest care possible has been exercised in their selection. Agricultural college graduates have been secured in most places and they have

done remarkably good work, considering the difficulties to be overcome. Every possible assistance has been extended by the extension division of the college of agriculture, and provision for still further help the coming year is now being made. A thoroughly trained expert in agricultural education will visit each school and give or secure such advice and assistance as may be needed. The state department, the high school board, and the colleges of agriculture and education of the university will co-operate in this work.

The courses in the colleges of agriculture and education have been modified so that those desiring to teach agriculture may secure special preparation for that work. Similar provision is also made for home economics and manual training.

The demand for teachers of agriculture is far beyond the supply. Nearly every state has taken up the movement for secondary agricultural education and qualified teachers are sought everywhere. In Minnesota alone we could use three times as many teachers as we graduate each year at salaries ranging on the start from \$1,000 to \$6,500. It requires at least four years college work besides a year or more of practical experience to fit a teacher for the work in the high schools. Not more than half of any class are fitted by taste and temperament for teaching. It is evident therefore, that the college work must be largely extended if it is to fulfill this important function, not to mention the training of farm managers and experiment station workers and practical farmers. It is evident that the normal schools will have to co-operate in this work, probably offering two years of work equivalent to freshman and sophomore year, with special reference to teaching, followed by two or three years in the college of agriculture and education. Good work is being done in the normal departments of agricultural high schools in training teachers for the rural schools. The schools of agriculture at University Farm, Crookston, and Morris are also to assist in the work of training rural teachers, and courses have been approved with this end in view.

American National Bank Louisville, Ky.

Capital and Surplus, \$1,000,000

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Depository will find every requisite and safe-
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Resources Over Thirty-eight Millions

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The summer training schools held at these points last year were attended by over 1800 rural teachers, and more are expected the present season. Through the extension division of the college, similar work in agriculture and domestic science is offered in as many of the county training schools as possible. The aim is to give every teacher in the state an opportunity to study the elements of these subjects, whether they ever have to teach them or not.

The industrial contest work in the schools also aids the teachers greatly in arousing interest of pupils and parents. Two experts from the college give most of their time to this work. One of the purposes of the agricultural high schools is to furnish centers for extension work. The college has co-operated extensively with them with this end in view. The printed maps in the seats illustrated the extent of this co-operative effort during the year. Each dot represents a center as reported by the schools where extension work has been carried on. The connecting lines indicate the extension centers. (See Map 3.) The short course and institute work of the college is shown on the following map. (See Map 4.) The demonstration farms are another line of educational work combining the good features of several of the older types of demonstration work. (See Map 5.) Farms and farmers representing the type meeting reorganization are selected with the co-operation of local interests and working plans are made by the experts for the reorganization and management of the farms. Careful account is taken of every factor entering into the case, including the man and the markets as well as the soil, climate, etc. No help is given beyond furnishing the plan and advice and frequent visits. What is accomplished is therefore the work of the farmer under his own conditions and becomes a real demonstration of what he can do rather than what the state can do. The location of these farms, as at present under operation, is shown on the map.

The state is divided into agricultural districts as indicated by heavy lines on map. A branch of the experiment station is located in



CHARLES R. FROST
Minneapolis
Secretary Minnesota Bankers Association

all but three, which, with the agricultural high schools and consolidated schools, gives local centers to work from. The plan is to organize

in each district on a county basis, having experts give their whole time to the work in each county, working directly with the farmers. A district committee made up of representatives from each county committee and local county committees will co-operate in developing local initiative. The experts will be secured through the co-operation of the county, the agricultural college, and the national department of agriculture, and under the general control of the agricultural college. It is hoped thus to harmonize and focus all work undertaken in a district. The national federation of grain exchanges has offered to co-operate with the county work to the extent of \$1,000 for one year in each county. The west central district has been organized according to this plan and others are in process of organization. Two years of work of this kind in connection with the other forms of extension work has demonstrated its tremendous educational value as well as its value from a financial standpoint to the individual farmer and to the state. Sixty bushels of corn instead of 35; 25 bushels of wheat instead of 13; 400 bushels of potatoes instead of 150; 10,000 pounds of milk instead of 6,000; 2½ tons of hay per acre instead of 1½, are a few of the items of increase that are easily secured with little additional cost.

Agriculture has recently become a science as well as an art and organized business. It requires education, experience, and skill to compete in the business of farming to-day. And no business, profession, or calling can offer greater material rewards, greater scope for mental and physical development, greater opportunity to perform real service to humanity, greater pleasure and happiness, than agriculture.

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OFF TO KALAMAZOO AND BUFFALO

J. Fletcher Farrell, vice-president of the Fort Dearborn National Bank of Chicago, and W. G. Edens of the Central Trust left the city this week to attend the sessions of the Michigan and New York conventions, to be held in Kalamazoo and Buffalo respectively.



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CAPITAL ONE MILLION DOLLARS



Group Four

Never again will Illinois bankers inquire as to where Yorkville is located, for the reason that Group 4 was entertained there on Tuesday in matchless style. Probably it was the best group meeting ever held by that group organization. The program was one of the very best and would have served quite well for a state convention. President J. M. Hurst presided in a quiet, graceful manner, and introduced W. R. Newton, president of the Yorkville National, the only bank in that town, who welcomed the visitors. President George Woodruff of the First National at Joliet made the response for the delegates, and included in his remarks a short editorial from his own paper, which made a hit with the bankers. The principal address of the morning was by Charles H. Hammill, a Chicago attorney, who talked on "Constitutional Government," which in reality was a very clever arraignment of the recall agitation which has crept into the present presidential campaign, probably to the detriment of one of the candidates. Following Mr. Hammill there were short talks on good roads by President W. D. Steward of the First State Bank of Plano, and by Peter Klein, who in addition to being president of the German-American National at Aurora, is the editor of one of the leading papers of that busy city. Mr. Klein has a style that is inimitable, and drew forth rounds of applause as he detailed the prominence of the Fox River Valley district in manufacture as well as in dairy and other products. He left very little to be desired, even by a man who might be trying to sell one of those fine river front farms at five or six hundred dollars an acre. Clarence E. Smith, president of the Peoples Bank at Waukegan, urged the bankers to co-operate in the exchange of credit information, and cautioned them that such information, once imparted, never should be used against the man who furnished it.

The dinner served by the members of the Eastern Star easily was the hit of the occasion. The music furnished by the Yorkville orchestra was strictly of a classical order, and rendered in a way which drew forth great applause and many encores from those present. The dinner consisted of the choicest of the natural products of the fertile Fox River district and was much enjoyed by those in attendance. At the conclusion of the meal W. G. Edens of Chicago delivered one of his elo-

quent addresses on the interest which the banker is taking in agricultural and educational subjects. Mr. Edens paid a fine tribute to the ladies of the Eastern Star and to the spirit of hospitality which everywhere was manifest in the little city, which lies along both banks of the beautiful Fox River, and is on one of the main travel roads of the state. Transportation from Chicago was in part by the Burlington route and in part by automobile. President George of the old Second National at Aurora, and former President Simpson of the same bank each appeared at the station at Aurora with an automobile; each bore off a full load of bankers down the west shoreline of the Fox River, and at the conclusion of the convention they returned by a different route along the other shore. This courtesy was much appreciated by those who were favored with the opportunity.

Group 4 went on record unanimously as endorsing W. T. Fenton of the National Bank of the Republic of Chicago for membership on the executive council of the American Bankers Association. This resolution was offered by President C. E. Smith of the Peoples Bank at Waukegan, and it ought to be said by way of justification, that the presiding officer, Mr. Hurst, who is from Mr. Fenton's bank, had nothing whatever to do with the matter. It came about as a sense of justice to Mr. Fenton, who for years has been a prominent and productive worker in both the state and national associations, and who is an ex-president of the Illinois Bankers Association. The convention made further history by electing George Woodruff, president of the First National at Joliet, a member of the executive council of the Illinois Bankers Association, thus furthering the intentions of his friends to

elect him chairman of that distinguished body. Charles N. Stevens of Evanston, the efficient secretary of Group 4, was elected to the presidency, and Charles B. Wright of Crystal Lake, a member of the executive committee, was promoted to be secretary.

President B. F. Harris of the state association spoke briefly on the work of the organization and asked the private and all other bankers to help secure the passage of a safe, conservative and equitable banking bill giving Illinois the same sort of bank supervision enjoyed by neighboring and sister states. His talk was pacific and pleasing to those present. His fairness and intent are above question and opposition, except where chronic, seems to be dying out.

The members nominating committee Group 4 were Thomas E. Newcomer, Chicago; B. J. Richmond, Elburn; G. D. Stroker, Wauconda; Ed. Wilson, Manhattan; W. D. Steward, Plano; C. B. Whittemore, Marengo; F. C. Bebb, Hinsdale.

The new members of the executive committee, in addition to the officers elected, are Robert Kelly, Will County; Henry Cooper, Kane County; William Givler, DuPage County; C. B. Whittemore, Henry County; G. D. Stroker, Lake County.

B. J. Stumm of Yorkville was elected treasurer.

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A. B. A. INSURANCE POLICY

The American Bankers Association has notified the Burglary Insurance Underwriters Association that it has decided to grant the privilege to the various burglary insurance companies that have an agreement with the Bankers Association for the use of its copy-righted bank burglary and robbery policy for all banks, whether members or non-members. This was decided at the Briarcliff meeting of the A. B. A. council.

A FINE HALSEY OFFERING

N. W. Halsey & Co. are offering at 95 and interest \$1,150,000 first mortgage and refunding 5 per cent bonds of the Wisconsin Public Service Company. The company owns virtually all the city and interurban electric railway property centering in Green Bay, Wis., and has acquired the stock of the Green Bay Gas and Electric Company. Net earnings of the properties in the year ended April 30, 1912, were \$139,700.

William G. Edens

William G. Edens, assistant secretary of the Central Trust Company of Illinois, returned this week from group meetings held in Tuscola and Jacksonville, Ill., and Princeton, Indiana. He reports these meetings as well attended and the programs presented of much interest. Crop conditions are a little backward in some of the southern Illinois counties owing to the late season. Business is going along in a rather quiet manner. Mr. Edens attended the meeting of Group 4, Illinois, held in Yorkville on Tuesday, the Michigan convention held in Kalamazoo, the meeting of Group 2, Indiana, at Gary on Thursday afternoon and that of Group 3, held at Hartford City on Friday, returning to Chicago in time to participate in the reception to be accorded to the delegation of Detroit business men representing the Detroit Board of Commerce, who are to be here on June 15th, and who will be the guests of the Chicago Association of Commerce.

Michigan Convention

Kalamazoo, Mich., June 12.—For the first time in a number of years the Michigan bankers abandoned their seagoing proclivities and held their convention on land. Registration at the New Burdick began on the evening of the 10th and exceeded that of any convention held within recent years. Identification badges were furnished to the bankers, and the citizens of Kalamazoo notified everybody that came that automobiles would be at their disposal during the entire term of their stay in that city. Full courtesy of the park and country clubs was extended, and a committee of Kalamazoo ladies looked especially after the entertainment of visiting ladies. Mayor C. B. Hayes welcomed the visitors. Emory W. Clark of Detroit made the response, and was followed immediately by President Charles J. Monroe in his annual address. Business re-

ports were made by Treasurer D. Dansart, Jr., by Attorney H. H. Smith and by Secretary (Mrs.) H. M. Brown. Home talent provided the entertainment for the first day, and it was of a very high order. Banking Commissioner E. H. Doyle spoke for the general good and safety of banking, and Attorney Smith of the association talked on taxation of bank stocks and deposits. These are two subjects in which Michigan bankers are very deeply interested at the present time. The session of the second day opened with reports of committees, and there were addresses by George E. Lawson on agricultural development; by J. L. Snyder of the agricultural college at Lansing on a similar topic; President D. B. Waldo of the Western State Normal School talked on the banker and the farmer and Hon. John A. Beaumont on agriculture. No other state has exceeded this broadside of four events all directed at the betterment of farming and domestic conditions. At four o'clock there was a meeting devoted to the interests of the American Institute of Banking, at which President C. J. Monroe presided as chairman and Clay H. Hollister of the committee reported. At this meeting George E. Allen spoke on banking education. There also was an evening session devoted to affairs of the Institute, at which President G. G. Rogers of the Kalamazoo Chapter presided. State Superintendent of Public Instruction L. L. Wright addressed the junior bankers as did Professor Edward D. Jones of the University. The third and concluding day's session was devoted entirely to routine proceedings, at which an immense amount of work was accomplished. It concluded with the election of officers. There was a session of the membership of the American Bankers Association carried out according to the program, a theatre party for the ladies and a banquet for the members of the convention. At the banquet special speakers were provided, among whom were J. Laurence Laughlin of Chicago, John H. Johnson of Detroit, and Hon. Julian C. Burrows of Michigan.

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SURPLUS - - - 200,000

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MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

For the purpose of threshing out the plan of mutual insurance of bank deposits before it comes before the annual convention of the Wisconsin Bankers Association, the Milwaukee Bankers Association held a special meeting Tuesday night, following a dinner at the Milwaukee Athletic Club. Earle Pease, Grand Rapids; H. A. Moehlenpah, Clinton; E. A. Dow, and F. J. Carr, Hudson, members of the special committee appointed to draft the new insurance plan, described its provisions and aims. The plan as briefly outlined by Mr. Pease provides for the formation of a mutual insurance company by the bankers of the state, which shall grant policies to such banks, whether state or national, as shall apply for insurance, the premium as fixed in the tentative bill being $\frac{1}{4}$ per cent, or 25 cents on \$100. Of the few who stood out against the plan was J. W. P. Lombard, who characterized it as "too communistic and liable to foster unsafe legislation." Andrew J. Frame of Waukesha, who attended the meeting, had little to say on the plan except that it was worth careful consideration. Milwaukee bankers and others who attended the meeting included: Charles Ray, A. J. Frame, Waukesha; L. J. Petit, Earle Pease, Grand Rapids; William Bigelow, J. K. Hsley, H. A. Moehlenpah, Clinton; Oliver C. Fuller, E. A. Dow, C. R. Thomson, E. Reddeman, Willis L. Cheney, W. Frame, E. J. Hughes, William M. Post, H. A. VonOven, J. W. P. Lombard, George W. Strohmeier, Charles C. Brown, L.

A. Baker, Patrick Cudahy, A. K. Hamilton, John Campbell, J. F. Peirce, Charles E. Albright, W. F. Myers, J. B. Whitnall, W. F. Lindemann, William Woods Plankinton, F. L. Pierce, E. L. Wood, Armin A. Schlesinger, F. J. Carr, A. W. Bozk, Alfred G. Schultz, Albert Trostel, E. H. Williams, A. E. Elser, Herman F. Wolf, Scranton Stockdale, John Jones, E. A. Farmer, Walter Kasten, George Neth, W. F. Filter, W. J. Krauthofer, George Koch, Henry Kloes, H. J. Millman, P. O. Kannenberg, R. L. Stone, Carl Engelke, O. Kasten and James Hayes. Previous to the discussion W. M. Post was elected a member of the nominating committee of Group 8, W. B. A., including the Milwaukee banks.

Return Optimistic

Glowing tributes to the wealth of the country and the enterprise of the people throughout the central section of Wisconsin are paid by bankers and others who returned Sunday from the annual business junket of the Merchants and Manufacturers Association. In particular reference to the banks visited, Secretary W. G. Bruce of the association, says: "The banks everywhere show heavy deposits. Small towns with populations of from 1,000 to 2,000 frequently show total deposits of over \$1,000,000, most of the money belonging to the farmers."

President Otto H. Falk of the association, on his return, said: "The crops throughout the state look promising and the farmers as

well as the people in the many towns stopped at appear optimistic and hopeful. I think the trip this year will be a far greater success and of more benefit to Milwaukee than any previous trip."

Death of G. D. Bartlett's Mother

Misfortune visited George D. Bartlett, the genial secretary of the Wisconsin Bankers Association, last week, in the death of his mother, Mrs. Abbey S. Bartlett, after a long period of illness from pneumonia contracted during the past winter. Funeral services were held on Monday at Mr. Bartlett's home, 200 Queen Anne Place, and the remains were taken to Minneapolis, Mrs. Bartlett's former home, for interment. His sudden bereavement prevented the state secretary from delivering an address he had prepared for the meeting of Group 3, W. B. A., at Shawano this week.

Milwaukee Notes

The executive council of the Wisconsin Bankers Association met in the office of Secretary George D. Bartlett on Tuesday to inaugurate preparations for the program of the annual state convention here in July.

"Personal acquaintance in banking" is a phrase which the Wisconsin National Bank is propounding with good results in its current advertising.

Group 3 at Shawano

Bankers of the northeastern section of the state convened at Shawano on Wednesday and Thursday of this week at the annual gather-



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GUSTAV RUESS	C. G. YAWKEY

ing of Group 3, W. B. A. M. J. Walrich, Shawano; H. J. Maxwell, Princeton; W. R. Dysart, Ripon; H. A. Moehlenpah, Clinton; W. H. Mylrea, Wausau; and T. S. Adams of the state tax commission, Madison, were among the speakers. The Shawano bankers entertained the delegates at a trout supper Wednesday night and an excursion to Van Nostrand Thursday.

For Crop Improvement

An appropriation of \$75,000 for crop improvement has been made Wisconsin from the \$1,000,000 fund of the crop improvement committee of the North American Council of Grain Exchanges. Secretary Bert Ball of the committee made the announcement this week at the crop improvement meeting held under the auspices of the Milwaukee Chamber of Commerce on the trading floor. One of the provisions of the agreement by which counties may secure a part of the appropriation is that each county raise a sufficient fund to employ a permanent scientific agriculturist and farm demonstrator.

HORNBLOWER & WEEKS

The firm of Hornblower & Weeks, bankers and brokers, was established in 1887 in Boston and later opened offices in New York and Chicago. The nine members of the firm are prominent in financial circles and, through their active interest in public affairs, especially so are John W. Weeks and Henry Hornblower. Mr. Weeks is a member of congress from Massachusetts and has served on the Monetary Commission. He is first vice-president of the First National Bank of Boston and ranks among the leading bankers of the country. Mr. Hornblower is president of the Boston Stock Exchange and is one of Boston's ablest citizens.

The Chicago office was opened five years ago in the Central Trust Building with Edward Clifford as manager. Under Mr. Clifford's management the business has increased to such an extent that it was necessary recently to move into larger quarters on the ground floor of the New York Life Building, 37 South LaSalle Street. This firm, members of the New York, Boston and Chicago Stock Exchanges, with private wires and correspondents throughout the country, offers unexcelled facilities for the buying or selling of all kinds of listed or unlisted securities for investment or on margins.

Minnesota Convention

Agricultural College, St. Anthony Park, Minn., June 15.—For the past two days the members and delegates of the Minnesota Bankers Association have been enjoying the hospitality of the agricultural college, a department of the University of Minnesota located in this beautiful park midway between Minneapolis and St. Paul. Most of the delegates took advantage of the opportunity to take rooms in dormitories and to have their meals served by the college attendants. The charges were very moderate considering the kind of service rendered, and everyone seemed to enjoy the outing to the fullest extent. Minnesota long having been considered a leader in agricultural and educational matters, gave over most of its program to speakers on topics relating to it. President D. S. Culver of St. Paul called the convention to order on Friday morning and delivered his annual address to the members. Secretary Charles R. Frost and Treasurer A. G. Wedge, Jr., reported for their respective departments,

and J. W. Wheeler of the Capital National of St. Paul spoke on behalf of the committee on agricultural development and education. Some of those who spoke on educational topics were Dean A. F. Woods of the University; Hon. James Wilson, secretary of agriculture at Washington; Dean C. F. Curtis of the Ames (Ia.) Agricultural College; Thos. Cooper, secretary of the Better Farming Association of North Dakota; John Monroe, principal of the Cokato associated high schools; P. H. Konzen of Halleck, and C. P. De Laittre. At four o'clock a recess was taken and the delegates were conducted through the building and grounds of the agricultural college. Special demonstrations were given in steer feeding, farm management, farm planting, control of insects, diseases, etc. There was a long list of speakers for the second day also. Among them were H. J. Maxfield, commissioner of immigration for Minnesota; Joseph Chapman, Jr., of Minneapolis; George A. DuToit, of Chaska; A. G. Wedge, Jr., of Bemidji; L. A. Huntoon, of Moorhead, and W. F. McLane, of Minneapolis. Following these addresses the routine business of the association was concluded and the new officers elected and installed. Successors were elected to the retiring members of the executive council of the state association, and one to succeed J. W. Wheeler, who is retiring as a member of the executive council of the American Bankers Association.

Much of the work of the Minnesota Bankers Association is done by committees. The committee headed by J. W. Wheeler on agricultural development has done a great deal of work during the past year. Other committees which rendered important service are the committee on registration and commercial paper, headed by George A. DuToit; the committee on surety companies, headed by A. G. Wedge, Jr., and the committee on farm mortgages, headed by L. A. Huntoon. The entertainment features consisted chiefly in the kinemacolor pictures of the Indian durbar, or coronation ceremonies, given in the college auditorium, and a talk by Hon. W. I. Nolan on "Remarks Wise and Otherwise." A very large attendance was the result of the splendid program and entertainment offered by the clearing house banks of St. Paul and Minneapolis.

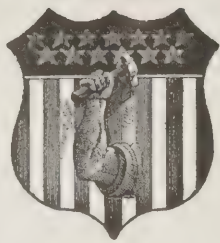
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—Special correspondence concerning also
the tributary territory, by J. Vion Papin

St. Louis, June 12.—The past week is characterized by local bankers as ultra slow. Locally things have not picked up among borrowers, and in the country activities in that direction are spotted. In Arkansas and southern Missouri banks are pretty well loaned up, and are borrowing here to some extent. In the cattle and stock feeding regions, notably in Texas and Oklahoma, the movement of their products to market is well under way, resulting in good, large payments. Generally the outlook in the country continues to improve. The government crop report, while evidently a disappointment to Wall Street, is to the student of the situation, satisfactory. It shows a total yield of wheat only slightly under that of a year ago, while the pessimistic reports and statistics of a month or six weeks back indicated little short of a calamity. There is little doubt that the May condition given by the Crop Reporting Bureau was too high, so that the 74 per cent on June 1st looked sad. That, however, is about the true condition, and since the books closed, there has been steady improvement, owing to rains and generally ideal weather. The prospects for spring wheat are the best in years, and will go far to offset the shortage in the winter crop. Corn is undoubtedly promising; a heavy hay crop is assured, fruit will be a success throughout this region, and small crops of all kinds will be abundant. Among business interests at large there seems a more hopeful undertone. There is a disposition to cast off the influence of politics and go ahead regardless. The worst that can happen is known, or accurately guessed, and has been largely discounted. While there will be plenty politically to sustain interest during the next few months, it has not the terrors of uncertainty of a few months ago. The business elements are getting used to it. While not rushing, banks here are doing good routine business, most of them earning dividends and a little more. Clearings are holding up very well, each week showing big gains over the corresponding periods in 1911.

Watts Comes to Third National

The Third National is soon to increase its staff of vice-presidents by the addition of F. O. Watts, president of the First National of Nashville, Tenn., and former president of the American Bankers Association. Negotiations have been under way with Mr. Watts for some weeks, but his final decision to accept the vice-presidency was only received on Tuesday. The move, it is stated by officials of the Third National, was due to the absence of Charles H. Huttig, president, and George W. Galbreath, vice president, of the institution. Mr.

Huttig is building up his health after his recent illness, and Mr. Galbreath is on a four-months leave of absence in California, recouping after the strain of double duty since the departure of Mr. Huttig. Mr. Huttig has announced to his associates that he will resume his full duties at the bank in September, and Mr. Galbreath will return to the city some time in August. Thomas Wright, vice-president, has been acting in the absence of the two officers during the past few weeks. He says the acquisition of Mr. Watts does not mean any other change in the present staff.

Watts Well Known Here

Mr. Watts will not come to St. Louis as a stranger, he having a wide acquaintance among the business men and banking fraternity here. His career in banking has been a remarkable one, and the unanimous opinion among St. Louis bankers is that the Third National has made a most fortunate stroke in securing his services. He is forty-four years old and as fresh in body and mind as when at the age of twelve he began as a messenger boy in the First National of Union City, Tenn., at a salary of \$5 a month. Before reaching his majority Mr. Watts was cashier of that bank. Going to Nashville fifteen years ago he was made cashier of the First National. Three years later he was promoted to the presidency, which he has since held. Now his bank has a business five times larger than when he entered it, and it is said that among eastern financiers he is regarded with greater confidence than any other banker in the South. One of his great feats in finance was the recent sale of the Nashville Railway and Light Company. He is ex-president of the Tennessee Bankers Association and now a member of the Executive Council of the American Bankers Association.

St. Louis Union Changes Day

The St. Louis Union Trust Company has changed the date of its annual meeting of stock-

holders from October to the second Thursday in January. The purpose of this change was to have the meeting at a time when most of the shareholders are in the city and so that the statements to the holders can be made to correspond with the calendar year. A majority of the financial institutions in St. Louis hold their meetings in January. The eight directors whose terms expire next October will hold over until January for the annual election. The company has twenty-five directors, the largest number possible under the law, and a third of the board is elected each year. Other changes in the by-laws were to incorporate in them the offices of assistant trust officers and one or two other officers to which appointments have been made by the boards at various times. No new offices were created.

Mercantile Insures Employees

The Mercantile Trust Company, through its president, Festus J. Wade, has taken out a general blanket life insurance policy for its 232 employees, whereby each is insured in the Equitable Life Insurance Company for an amount equal to two years salary of the individual employee. The amount of the policy aggregates \$700,000, the largest of its kind in Missouri. This kind of employers' insurance has become popular in certain eastern cities, and has been in force in London for several years, but the Mercantile policy is the first taken out in St. Louis. The policy applies to every employee in both the trust company and the Mercantile National, from the scrubwomen up to Mr. Wade. The premium is paid monthly by the company. In discussing the action of his company, Mr. Wade said the directors felt that the good-will of the institution toward its employees could best be shown by such a step, taken in recognition of their interest in the company's welfare. Each employee is given the privilege of naming the beneficiary of his policy, which terminates when he severs his connection with the company.

New Banking Enterprises

Business men in the vicinity of Jefferson Avenue and Olive Street have called a meeting to consider the advisability of organizing a new bank with a capital stock of at least \$100,000. L. J. Albert, Jr., treasurer of the Commercial Trust Company, which is located at the corner of Jefferson Avenue and Olive Street, is among the promoters of the enterprise. Mr. Albert says it is not the plan to absorb the Commercial Trust Company in the new bank. Until recently that institution maintained a banking department, but it sold its banking accounts to the Union Station Bank. The proposed new bank is the second project of the kind announced for Jefferson Avenue within the last two months. A party of South St. Louis business men are

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

United States Government Depository.

The National Stock Yards National Bank
National Stock Yards - Illinois

Directors:

HORACE E. ANDREWS
Pres. New York State N.Ys.

AUGUST BELMONT
August Belmont & Co.

AUGUST BELMONT, Jr.
August Belmont & Co.

DANIEL J. CARROLL
Pres. Alberene Stone Co.

HARDEN L. CRAWFORD
Pres. The Century Bank of New York

P. S. DU PONT
Treas. E. I. Du Pont de Nemours Powder Co.

DESMOND DUNNE
Pres. Desmond Dunne Co.

ELLIS P. EARLE
Pres. Nipissing Mines Co.

O. G. FESSENDEN
Hayden W. Wheeler & Co.

ELBERT H. GARY
Chairman of the Board U. S. Steel Corporation

H. STUART HOTCHKISS
Vice-Pres. & Treas. L. Candee Rubber Co.

JOHN M. HANSEN
Pres. Standard Steel Car Co.

PARMELY W. HERRICK
Cleveland, Ohio

GEORGE M. HARD
Chairman of the Board

FRANK J. HEANEY
Everett, Heaney & Co.

AUGUST HECKSCHER
Vice-Pres. Eastern Steel Co.

RICHARD H. HIGGINS
Vice-President

Capital and Surplus**\$3,000,000**

**THE
CHATHAM
AND
PHENIX**



**NATIONAL
BANK
New York**

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Pres. First Nat'l Bank, Norwich, Conn.

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EDWARD E. LOOMIS
Pres. D. L. & W. Coal Co.

WILLIAM A. LAW
Vice-Pres. First Nat'l Bank of Phila., Pa.

FRANK R. LAWRENCE
Counselor-at-Law

WALDO H. MARSHALL
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JOHN RINGLING
Ringling Bros.

EDWARD SHEARSON
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HENRY F. SHOEMAKER
New York City

SANFORD H. STEELE
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ALBERT A. TILNEY
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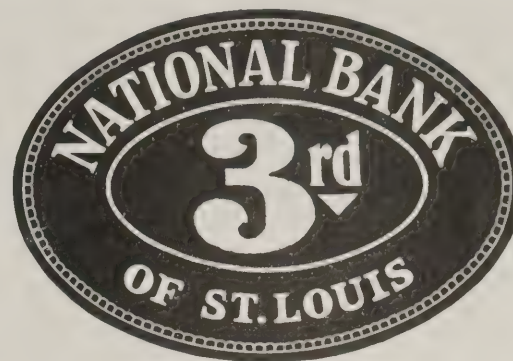
FR'D'K'D. UNDERWOOD
Pres. Erie Railroad Co.

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SAMUEL WEIL
Samuel Weil & Son

FRANK S. WITHERBEE
Pres. Witherbee, Sherman & Co.

JOSEPH H. WRIGHT
Pres. U. S. Finishing Co.



**CAPITAL
\$2,000,000**

**SURPLUS
\$2,000,000**

**DEPOSITS
\$35,000,000**

C. H. HUTTIG - - - President
G. W. GALBREATH - - - Vice-President
J. R. COOKE - - - Cashier
D'A. P. COOKE - - - Assistant Cashier

T. WRIGHT - - - Vice-President
R. S. HAWES - - - Vice-President
H. HAILL - - - Assistant Cashier
E. C. STUART - - - Assistant Cashier

The Lakeside Press**R. R. Donnelley & Sons Co.**

**PRINTERS, ENGRAVERS
BINDERS**

Corner Plymouth Place and Polk Street**Telephones, Harrison 350****CHICAGO, ILL.****Resources, Twenty-five Million Dollars**

now soliciting stock subscriptions for a new trust company, to be located either at Chouteau or Park and Jefferson avenues. It is expected that articles of incorporation for this latter company will be filed shortly. It is proposed to sell the stock for the new Jefferson-Olive Bank at \$110 per share, the \$10 above par to go to a surplus fund.

Commonwealth Trust to Move

Commonwealth Trust officers have announced that the work of moving its money, books, papers and other effects now in the corporation's vaults on the northeast corner of Broadway and Olive Street, to the temporary location, at Broadway and Locust Street, would begin at noon on June 15th. It is expected to have everything ready to open for business next Monday morning. The removal is made necessary, owing to the razing of the bank's present building, preparatory to erecting the new nineteen-story building on its site. The contractors are James Stewart & Company, who expect to begin demolishing the present structure before the end of this month.

Real Estate Companies Merge

The real estate department of the Commonwealth Trust Company and the Joseph P. Whyte Real Estate Company have merged, and Mr. Whyte has become real estate officer of the trust company. W. H. Moore, who had charge of the Commonwealth's real estate department, will become manager of the new building the company is about to erect.

The Dakota State Bank of Madison, S. D. has been incorporated with the following stockholders: S. P. Seireison, M. F. Seireison, and A. J. Cornelyson, of Madison, and B. F. Blockinger of Dubuque, Ia.

New York Convention

Buffalo, N. Y., June 14.—The two strong drawing cards which brought everybody to Buffalo who could get there were George M. Reynolds of Chicago and Sir Edmund Walker of Toronto. Mr. Reynolds spoke earnestly in favor of the National Currency Association's plan for improving the banking and currency laws. Sir Edmund spoke on banking as a public service, and entertained his hearers greatly.

The headquarters were at the Lafayette, and each guest on registering, was presented with the courtesy of all the various clubs in Buffalo. Golf tournaments were provided at the country club for the ladies as well as for the gentlemen. Automobiles were provided to convey the delegates and guests to and from the various clubs free of charge on application at the desk of the committee. Howard Bissell was chairman of the committee on sports and made everybody happy by his courtesy and attention. Mayor Louis Fuhrmann of Buffalo welcomed the visitors, and the response was included in the annual address of President Walter H. Bennett. There were reports by Treasurer Elmer L. Milmine and by Secretary William J. Henry. Mr. Reynolds opened the first day's session and was followed by William E. Knox of the Bowery Savings Bank, New York, who spoke extemporaneously on "Our Common Service and Our Mutual Interest." All other remarks and addresses at this session were limited to five minutes each. The afternoon was given up to amusements. The second day's morning session opened

with Sir Edmund Walker, and concluded with a talk on agricultural development and education by George E. Allen, educational director of the American Institute of Banking, and member of the New York state committee on agriculture. The election of officers concluded the session. The balance of the time was given up to amusements. There were among other things a trip on Lake Erie by a specially chartered steamer, on board of which luncheon was served. There also was a banquet at the Lafayette with oratorical fireworks in charge of Arthur Brisbane, the celebrated newspaper writer; Dr. Andrew V. Raymond and George Caleb Moor. On Friday afternoon there was a trip to Niagara Falls, including the famous gorge route and a reception and dinner at the Clifton House. It will be noted that fewer speakers are provided at a New York state convention for the entire two days' session than usually are provided for the morning or afternoon program at one of the farther west conventions. A great deal more time is given up at the eastern conventions to entertainment features.

NEW ILLINOIS BANKS

There is to be a new state bank at Palmer, Ill. The new institution will take over the business of the private bank of R. F. Best, and will be capitalized at \$25,000. It will be known as the Palmer State Bank. R. F. Best has been elected president. The Farmers State Bank of Divernon, with a capital stock of \$25,000, will open for business some time in June. David L. Haire is president, and Frank H. Lowe, cashier. The First National of Waterloo has been organized with a capital stock of \$25,000. A. C. Bollinger is president, and J. F. Schmidt,

Editorial Comment

IMPROVED BANK SUPERVISION

Every reader who believes in improving present methods of bank supervision and in amending imperfect state banking laws should read in this issue of THE CHICAGO BANKER the short but brilliant address of Bank Commissioner E. H. Doyle at the Kalamazoo convention of the Michigan Bankers Association. In concluding his address Mr. Doyle said:

"Bank supervision must improve to meet new conditions. It cannot remain at a standstill nor continue in a rut. It either must advance or retrograde. I believe with the periodical verification of assets and liabilities by directors, and with proper legislation giving the department the machinery to retard the over-extension of credit, and to keep unsafe, unfit, and inexperienced men out of the banking business, bank failures can be kept at a minimum."

Other portions of his address are quite as illuminating of the general subject, and he speaks strictly from experience in a state where the vast majority of bankers are in favor of better laws, better banking methods, and of increasing the quality of state supervision.



NEW YORK PRESIDENT'S ADDRESS

President William H. Bennett in opening the Buffalo convention did not consume much of the time of the delegates, yet he omitted nothing of importance in his annual address. He told successively and tactfully the social advantages of such a meeting and the two new features of activity taken up during his administration. He referred to and asked for support of the state's committee on currency reform and of its newly constituted committee on agricultural development and education. New York is not distinctively an agricultural state, yet it is believed by all those who have looked into the matter that the field is as deserving and will be as remunerative as that presented in any of the sister commonwealths. President Bennett devoted a portion of his remarks to the present political agitation of false doctrines and openly questioned the sincerity of some of those at present in public life. He counseled the bankers to do whatever they can, with certain restrictions, to help the present investigation of the congressional committee on banking and currency. He believes that the outcome of the investigation can be directed generally in aid of a proper and wise reconstruction of our monetary system. The association had its attention directed to the opportunities presented in New York state for education and the accumulation of a competence in homes outside of the crowded and congested districts of the city. Mr. Bennett believes that efforts made by the association in this direction will give good results and make much easier the conservation of the state's natural resources. He touched lightly upon New York's mooted

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

committee on inland exchange, so prominently in the public eye to-day, and which is expected to make some new arrangement about collection charges at that important financial center. Being a prudent and careful banker, the speaker called the attention of the membership to the fact that the association is called upon either to cut down its expenses or to increase its revenues. It is believed that this able association can by a slight readjustment of its affairs obviate the necessity of becoming a debtor. President Bennett has given up a great deal of his time to the affairs of the association, and has distributed its benefits and honors over every portion of the state with the utmost fairness and justness to all. He is a believer in the doctrine that every member is entitled to recognition and that neither preference nor personal gain should be allowed to interfere with the equitable distribution of the duties and responsibilities. His address will be found in full in this issue of THE CHICAGO BANKER, and is well worth the attention of those interested in association matters.



NORTHERN MINNESOTA RESOURCES

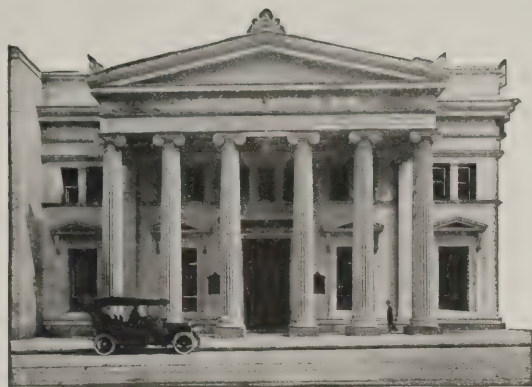
At the Minnesota convention this week a speaker who resides less than twenty miles from the Canadian border spoke on the prospects and possibilities of this northern end of the state. He presented an array of facts testifying to conditions and results which will be surprising to any except those who have looked into the matter carefully. Northern Minnesota contains thirty-six thousand square miles, about 10 per cent of which is taken up by five hundred small lakes, leaving thus open to settlement and tillage about twenty million acres of "the richest and most productive soil to be found anywhere in the world." The latitude is the same as for North Dakota, Montana, Idaho, Washington and northern Wisconsin, and, crossing the ocean, would include England, Belgium, the Netherlands, all of Germany, and parts of France, Italy and Austria. From these conditions Mr. Konzen argued that geographical conditions are the most favorable and that the greatest advancement of the human race has occurred between the forty-sixth and the forty-ninth parallels of latitude. Statistics were presented showing what can be done in the way of production of foodstuffs,

meat, vegetables and dairy products, also in the raising of corn, clover and alfalfa. Mr. Konzen yet expects to see Duluth recognized as a seaport, from which monster vessels will depart for all the countries of the world in need of flour, grain and other foodstuffs. In comparing the possibilities of northern Minnesota with other countries in the same latitude, Mr. Konzen showed that a population of at least five millions could be supported in comfort and happiness, and that, without exceeding the population of Belgium per square mile, Northern Minnesota would support more than twenty-four millions of people. The crying need of Northern Minnesota at present is people—good, strong, healthy, ambitious, industrious workers. The improvement association is doing all it can to induce immigration from the proper classes in Europe. There are innumerable opportunities in the way of public lands and lands which will be furnished with a good title by the railroad companies at merely nominal prices. Mr. Konzen did a great deal to dispel the popular notion that southern Alberta, and other portions of Canada with the prefix "southern," are any warmer or have any better climatic conditions than northern Minnesota. He thinks that the mere use of the word "northern" has been prejudicial to the interests of that location. It is quite likely that the address of Mr. Konzen, if circulated in the proper places, will induce immigration to this apparently favored spot, from agricultural, educational and geographical points of view.



GROWTH OF THE NEW SOUTH

The new secretary of the Georgia Bankers Association—Haynes MacFadden—was called upon to speak at the Mississippi convention at Gulfport touching on the general subject of the growth of banks and banking in the South. Mr. MacFadden is a newspaper man and not a banker, hence he marshaled his facts in a way that will appeal to the public at large as well as to the members of the craft. For the purpose of comparison he chose a thirty-year period, which of course satisfied his newspaper instinct more largely than could a less startling array based upon a shorter period. Thirty years ago there were in the South less than fifteen national banks per state, whereas at the present time the average is above one hundred and fifty—and still growing. Multiplying the number of national institutions by ten leads to other comparisons which tell more vividly the advancement which has been made in the South, where now there are two thousand national banks in successful operation. This is only ninety-five less than the number in existence in the entire United States in 1880. The resources of these banks have been multiplied almost ten times, and their capital more than four times, while deposits have increased 1,300 per cent. State institutions were not idle dur-



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

is justly proud of the record it has made in forty years of service to the public. A steady but conservative growth during this time has placed it in the first position in its territory with a capital and surplus of \$5,000,000.00. In addition to strengthening its own resources it has paid to its stockholders

Five Million Dollars in Dividends

which is an average of over eight per cent annually since organization.

ACCOUNTS OF BANKS IN ITS TERRITORY ARE DESIRED

ing this period. Generally speaking, their deposits have been multiplied by ten. Figures were presented by Mr. MacFadden showing that the national banks of the South to-day contain eighty-four millions more deposits than were shown by the national system thirty years ago. The new South can show in her national banks almost one billion on deposit, while the state banks and trust companies have about one billion two hundred millions. This shows an increase of over a billion dollars in one generation in the state institutions, and almost as large in the national banks. In the earlier days national banking charters were not so much in demand in the South as they are at present, and for this reason the rate of increase during the past thirty years has been three and one-half times greater in the South than it was in the North. Great as have been these banking gains, it was claimed by the speaker that they represent little more than 7 per cent of the increase of the true wealth of the South, which leads to figures which are quite staggering in their immensity. During this period under consideration the population in the South has not quite doubled, so that this increase of wealth per capita must measure up something like 600 or 700 per cent. In the matter of its physical assets, such as cotton mills, the growth in the South has been twice as rapid as has been its gain in banking power. This is true of her production of coal, pig iron and lumber, and gain in farm products. The increase of expenditures for schools has been less rapid, but truly phenomenal. Government statistics show that property value in the South has advanced from nine billions thirty years ago to nearly twenty-eight billions at the present time. This array of figures coming from authentic sources and touching upon so many subjects, must leave it clear in the mind of anyone that the South has been the section of the greatest prosperity in the country, and of the greatest increase in wealth over a period of twenty-five or more years past. The capital invested in manufactures in the South has increased about 1,000 per cent. The value of her products has been increased more than 500 per cent by making them ready for the market at home. Mr. MacFadden gave much of the credit for this southern progress to the bankers of the South and to the bankers of other parts of the country willing to assist

in developing the natural richness of the southern soil and the southern coal and iron mines. It requires no dreamer to see a splendid future for the South. Conservation and development are going forward hand in hand, and capital seems to be present in abundance. Strong, able men are in demand. The South has asked the government to fix certain southern ports as ports of entry for immigrants, believing that no other section of the country can present them with such opportunities, and that they are less needed elsewhere than there. In reality, the one demand of the South at the present time is for able, willing workers to help her take the position to which she is so well entitled.

&

PRIVATE BANKING IN ENGLAND

The reserved judgment of the higher courts of England has just been passed upon the claims of depositors to be preferred creditors against the assets of the failed Birkbeck Bank. It came out in the trial that the Birkbeck institution while doing a private banking business in reality was incorporated as a benefit building society. When this case first came to trial Justice Nevill decided that the depositors had no priorities over other classes of creditors in the distribution of the assets of the society. He classed the bank simply as a borrower of funds advanced by different individuals, who for convenience were regarded as depositors. His Lordship decided that the assets ought to be applied first, in payment of

the costs of winding up; secondly, in paying debts properly incurred by the society to satisfy creditors otherwise than in respect to moneys advanced or deposited; and thirdly, in paying the unadvanced members of the society the amounts properly due to them, and that the balance of the assets might be distributed pro rata among the (deposit) customers of the society, known in this country simply as depositors. From that decision the depositors appealed to the upper court and the decision now handed down simply affirms that rendered by Justice Nevill. The upper court held that the society was carrying on a business altogether beyond that for which it was chartered. The court held that if the society with no borrowing powers preferred or pretended to borrow (which is the English for accepting deposits), the banking business carried on was illegal and that no equitable debt was created by the transaction. The upper court said that it felt bound to negative any legal or equitable debt to such depositors. It was not therefore necessary to go any further, nor give any more relief than was contained in the order of Justice Nevill. Thus it would seem that the fate of the depositor in a private bank in England is not much different from that which comes to him in America, where the affairs of the private banker must, at his death, pass through the probate court and the depositor takes whatever he can get after the legal obligations of the estate have been settled. In case of failure the loss in most instances has been total.

~

ARKANSAS BANKERS ELECT

The Arkansas Bankers Association elected the following officers for the ensuing year: President, Chas. G. Henry, Newport; vice-president, J. S. Pollock, Little Rock; secretary, R. E. Wait, Little Rock; treasurer, C. S. Lemon, Wynne; delegates to American Bankers Association, L. M. McCrory, Eureka Springs; T. C. McRae, Prescott; Sam Reyburn, Little Rock; Henry Thore, Arkansas City; J. S. Turner, Ozark.

The association went on record in favor of a banking bill and appointed a legislative committee to draft a measure for presentation to the legislature.

~

About seventy-five bankers of Group 6 of the Nebraska Bankers Association held an interesting and profitable meeting last week in Crawford, Neb.



ST. LOUIS

CAPITAL
\$2,000,000.00

SURPLUS
\$1,000,000.00

For over half a century we have withstood every financial crisis that has befallen the Nation, including the period of the Civil War. **C.** Your account carried on the books of a solid, conservative bank adds prestige to your name.
C. Correspondence and interviews solicited.

WE CAN SERVE YOU WELL

EDWARDS WHITAKER	President
MURRAY CARLETON	Vice-President
WM. H. THOMSON	Vice-President
ERNEST M. HUBBARD	Cashier
E. L. TAYLOR	Assistant Cashier
C. R. LAWS	Assistant Cashier

Central Savings Bank

DETROIT, MICHIGAN

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Junction and Fort Sts.

St. Aubin and Canfield Avenues
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Resources over \$5,000,000

DIRECTORS

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CHAS. P. COLLINS

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**COMMERCIAL AND SAVINGS DEPARTMENTS
WE INVITE YOUR ACCOUNT**

The City Bank

Incorporated 1871

No. 1 Main Street, W. Branch: 251 Main Street, W.
BATTLE CREEK, MICHIGAN

**Capital and Surplus,
\$125,000.00**

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N. E. HUBBARD, 3rd Vice-President N. Y. GREEN, Asst. Cashier

DIRECTORS

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H. F. BECHMAN
S. B. COLE

L. A. DUDLEY
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FRANK J. KELLOGG

M. MAAS
GEO. W. MECHEM
E. R. MORTON

4 per cent interest on all savings deposits

Relation of Banking Department to the Bank

The relation of the banking department to the banker, or in a broader sense, the supervising department to a bank, is too well understood in its general application to need extended discussion at this time. The law-making bodies of the United States, and of the several states, have laid down certain restrictions and limitations as applying to the business of banking and have provided for the establishment of departments charged with the duty of enforcing such laws and to see that banks transact business in a safe and authorized manner. These laws have for their object the dual purpose of guaranteeing payment of depositors' funds, and also the operation of banks at a fair rate of profit to the incorporators.

The supervising department also serves in the dual capacity of administering the law with equal justice and fairness to stockholder and depositor. It also has the peculiar relation as between the honest, conservative, and well managed bank and the institution that is managed in a reckless, illegal, and unbusiness-like manner. The chief asset of the former is the confidence reposed by the people of the community in which the bank is located, realizing that failures, even somewhat removed from its field of operation, tends to destroy the value of its principal asset. The department, therefore, has a double responsibility and two-fold relationship as between bank and depositor.

Notwithstanding the fact that conservative banking and the depositor are dependent upon the department to correct unsafe conditions, the department must, in turn, rely upon them for their assistance in obtaining the necessary legislation with which to improve conditions as experience and changing conditions warrant and demand.

Notwithstanding the fact that state supervision of banks in the United States has not obtained for any great length of time when compared with the life of the nation, yet it is an admitted fact that incorporated banks in the United States are more rigidly supervised by public authorities than those of any other country. Bank supervision, as enforced in this

Commissioner E. H. Doyle talks shop to the Michigan bankers at Kalamazoo and urges measures for the general good and safety of banking. Strongly for supervision and points out dangerous laxity in present Michigan law

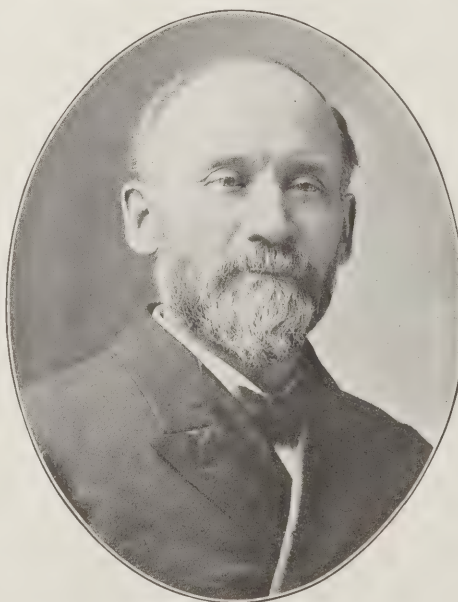
country to-day, has reached its present status through the medium of experience, resulting largely through disastrous failures. Gradually a system of checking and reconciling has been evolved which makes any protracted manipulation of accounts, other than forging customers' notes and concealing liabilities, almost impossible. The only remedy against forged notes and concealed liabilities, in my opinion, is the actual verification of all assets and de-

posits annually by the directors. It is obvious to the initiated that the expense would be too great if these verifications were made by state examiners.

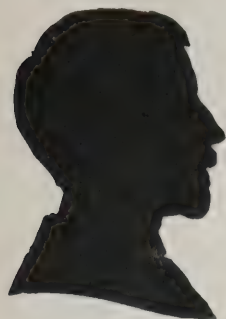
In its early days, and in some sections during recent periods, supervision was considered by many bankers to be a system of examination and inspection absolutely limited to the specific authority conferred by law. I believe it is needless to say that the department where supervision ends with the exercise of only such authority as conferred by law is a farce. If experience teaches that additional authority is needed, and legislatures refuse to confer same, wherein lies the remedy and to whom shall attach the odium of insufficient supervision? The majority of bankers invite the closest scrutiny of their affairs, and appreciate the introduction of any methods by examiners or department tending to safeguard their institutions against losses. In some instances the right of an examiner or banking department to use methods or provide safeguards not specifically authorized by law are questioned at every turn and attempts made to frustrate any advances in this direction.

We do not need to go out of Michigan for illustrations of disasters that have resulted where authority has been exercised or methods used only which come within the confines of the law. It is comparatively recent that the Michigan department was criticised as exceeding its authority by a prominent lawyer for the closing of a bank, on the grounds that it was absolutely solvent when the department took possession and had transacted business strictly within the law; yet the receiver's report showed a loss of over thirty per cent to depositors.

It is a current and just criticism of nearly all supervising departments that a bank is not closed until it is hopelessly insolvent. There is no reason why the majority of such failures could not have been prevented; but I venture to say that this could only have been brought about by the exercise of authority and use of methods not then or now contemplated by law. Michigan has a good banking law, but any commissioner who permits cer-



C. J. MONROE
Kalamazoo, Mich. President Michigan Bankers Association



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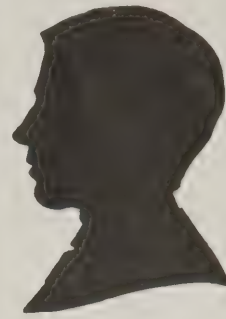
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tain of its provisions to be followed to the letter, and who does not take to himself additional authority, will make possible a repetition of the disastrous failures in the past. It is to be deplored that a supervising department cannot acquaint conservative bankers with the methods employed by those who openly (though legally) evade the law. If some of the conditions were known to bankers in general there would, I am sure, be no ground for complaint as to lack of sufficient authority.

I feel it is my duty at this time to call your attention to the lack of specific authority in one or two directions which has hampered the department, and will continue so to do until the law is amended, conferring adequate power.

A menace to communities, or for that matter to banking interests, and one that causes examiners and banking departments nine-tenths of their troubles, is the officer or director, or the coterie of officers and directors, who gain absolute control of a bank's directorate, and then proceed to loan the full legal limit to each, individually (without collateral, and a like amount to one or more corporations, the stock of which is all owned by them or members of their families or employees entirely within their control; the aggregate of such loans many times exceeding the capital stock, surplus and undivided profits. Especially has this been true in banks with small or medium capitalization. This can and has been legally done in Michigan, though with eventual loss to depositors in well-remembered instances.

Individuals dominating banks in this manner lose sight of the fact that the funds which they obtain belong to the depositors and require conservative distribution. The danger must be apparent to anyone who will give the subject proper consideration; and the department enlists the aid of all honest bankers to the end that some means or some legislation may be devised whereby such conditions in the future may be prevented. During my administration instances have arisen where financial statements of condition from such persons or their companies have been refused, and the parties were either unable or unwilling to furnish proper security or collateral to their loans. The department has proceeded in these cases on the theory that there is no time like the present to relieve the situation, and has succeeded in correcting several such conditions; but it has been after much delay. In one case the parties, while admitting the existence of dangerous conditions, openly questioned the department's authority to act in view of their being within the letter of the law.

This department must rely on information received from banks concerning financial responsibility of borrowers; but where a borrower is known to be obtaining large extensions of credit elsewhere, what other course can be pursued than to ask for financial statements, either from the banks themselves or from other sources? The department has fol-

lowed this custom, and in some cases it has been resented. It, however, furnished the only means of exposing the manipulations of a certain official which caused loss to the bank of \$40,000 or \$50,000. The condition had existed for some little time, and might have continued until the bank was hopelessly wrecked.

As a rule, a bank examiner is not acquainted with local conditions, or local credits, and banks should obtain statements from borrowers which can be furnished the examiner when requested. I call to mind several instances where statements have been furnished and the



B. F. DAVIS
Lansing, Michigan. Vice-President Michigan Bankers Association

department has been able to show that same were absolutely false by reason of its knowledge of loans secured from other banks, unknown to the bank furnishing the statement.

I am of the opinion that at no distant date legislation will be had whereby all loans of a certain magnitude, as applied to capital and surplus, will be reported to the department twice or more each year in order that the exact liabilities of the borrowing public may be determined.

I heartily recommend the passage of such an act, and would go farther and give the banks the right to this information; that is, the right to be advised as to the total loans of any individual, firm, or corporation, without divulging the particular banks making the loans.

I believe it is safe to venture the statement that some system will eventually be adopted by the banks themselves with the view of curtailing, or eliminating, the over-extension of credit.

The old maxim that "an ounce of prevention is worth a pound of cure" applies to department methods as well as to other lines of

endeavor. The time to kill the weed is ere it reaches such proportions as to become dangerous to useful vegetation. The only way to eliminate unsafe men from banking is to prevent, if possible, their entrance in it. It is elementary that bankers should have all the qualifications of character, aptitude, experience, financial responsibility, and knowledge of local conditions. I believe the department should be charged with the duty of ascertaining that all of these qualifications are fully met in every instance where application is made to charter a state bank, rather than placing it in the position of assuming this power.

In the future banks will be notified of all such applications, together with the names of all applicants, and we shall appreciate any information bearing upon the desirability or undesirability of anyone connected with the organization of a state bank. We have succeeded in keeping out several undesirables by rejection of application based on information gleaned from various sources. We have pursued this course in the organization of banks for the reason we believed it was a duty owed to the community in which the banks were to be organized; and further, that we were performing a service to the honest bankers of the state.

Bank supervision must improve to meet new conditions. It cannot remain at a standstill nor continue in a rut. It either must advance or retrograde. I believe, with the periodical verification of assets and liabilities by directors, and with proper legislation giving the department the machinery to retard the over-extension of credit, and to keep unsafe, unfit, and inexperienced men out of the banking business, bank failures can be kept at a minimum.

Massachusetts Convention

Springfield, Mass., June 13.—Delegates and members of the Massachusetts Bankers Association met for their annual convention in this city yesterday morning. At the close of a very interesting program on the first day there was a banquet given by the clearing house banks of Springfield at the Hotel Kimball, followed by a business meeting and musical entertainment for the ladies. This morning there was an automobile trip through the country and around Springfield, visiting the United States armory, Forest Park, Long Meadow, bringing up at the country club, where dinner was served. In the afternoon there was a trip up Mount Tom. The full privileges of the country club were extended to the visitors for the two days. President E. Elmer Foye presided; George W. Hyde is the secretary.

The First State Bank and Trust Company of Waco, Texas, has filed an amendment increasing its capital stock from \$100,000 to \$200,000.

NATIONAL BANK OF COMMERCE

KANSAS CITY, MO.

ESTABLISHED 1865

Capital, \$2,000,000

Surplus, \$500,000

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CHAS. M. VINING, Assistant Cashier
W. H. GLASKIN, Assistant Cashier
JAS. F. MEADE, Assistant Cashier

Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

James T. Bradley, cashier of the National Bank of Commerce, is a veritable Mark Tapley when it comes to discussing financial and industrial conditions in this part of the country. Perhaps after all it is a little incorrect to call him a Tapley, for the Dickens prize optimist was noted for his ability for seeing the bright side of dark things, while there isn't any dark side to the situation, from Mr. Bradley's point of view.

"The outlook for all lines of business, banking included, in this part of the country and throughout the United States for that matter, is exceedingly favorable," said Mr. Bradley the other day. "All necessary lines of business are enjoying a stability which is unusual at this season of the year and especially during a presidential campaign. It is rather quiet, however, in speculative and investment lines. I have made several brief trips recently into the territory surrounding Kansas City and have talked with many prominent bankers and business men. Wheat conditions in western Kansas and western Nebraska are excellent. The weather has been favorable for a very fair crop and that means prosperity throughout this section. The corn is doing well and the pastures were never better. The cattle are doing well and there is a general feeling of conservative optimism. I think that conservative optimism is much better than that exuberant kind which is so apt to fail to see anything which appears unfavorable. I do not believe in 'booming' without good reasons; therefore, when I say that financial interests are very much encouraged at this time I believe I state the exact sentiment of those who speak with full knowledge of the situation."

Clearing House Methods

The bankers in this part of the country are watching with a great deal of interest the progress of the so-called "money trust probe." In the matter of clearing house methods western bankers differ radically from those in the eastern financial centers. Wilson S. Webb of the Missouri Savings Bank of Kansas City, Mo., discussing this difference said the other day:

"The eastern system is, as a general proposition, one which discourages the small banks from becoming members of the clearing house. The general tendency is to center interest in the big banks and to restrict competition so far as possible. This is, as I say, a tendency and there are of course many instances where the smaller banks are not discriminated against and I do not think this tendency itself goes so far as to sacrifice the interests of small banks, though this has been done, as the evidence shows. But in the East

it is the big banks that are fostered, rather than the federation of financial institutions. In the West this policy does not meet with any encouragement. We welcome every bank that is conducted along safe business lines, for we believe that in union there is strength, and not only that there cannot be too many banks in times of prosperity but that in times of adversity the banks in need of assistance will be able to get most of it when there is the greatest number of members of the clearing house association.

Impersonated a Cashier

A rather clever and unusual swindle was frustrated in Hutchinson, Kan., one day last week. A man giving the name of Carl Hartman passed a bogus check for \$30.40 on a produce dealer. He claimed to be from Haven, Kan., and bought a small quantity of berries. The dealer, becoming suspicious of the check, went to the First National Bank of Hutchinson, on which the check was drawn, and learned that Hartman had no funds there. The inquirer had hardly reached his place of business when Hartman called up, and purporting to be the cashier of the bank, stated that the check was all right, that Hartman had made it good. Refusing to accept the information as authentic, however, the dealer went again to the bank, where the impersonation was detected. The swindler

was not caught and "Hartman" is supposed to be an assumed name.

Western Notes

W. T. Kemper, president of the Commerce Trust Company of Kansas City, has gone East on his vacation. He will attend the Democratic national convention at Baltimore, to which he is a delegate. That may not be much of a vacation but it will at least be an incident.

Kansas City is the ninth city in the country in the aggregate of postal savings, the government figures showing that there is on deposit here \$33,717.

E. F. W. Swinney, president of the First National Bank of Kansas City, went to Sedalia, Mo., last week where, as the receiver of the Sedalia Light and Traction Company, he sold the property to A. E. Spencer of Joplin, Mo., acting for Henry I. Doherty & Co. of New York.

Group 5 of the Nebraska State Bankers Association met at Central City, Neb., June 12th. The program included addresses by Judge J. R. Hanna of Greeley; Murray S. Wildman of the Northwestern University, Chicago; Ross L. Hammond of Fremont, Neb.; E. F. Folda, vice-president of the Stock Yards National Bank of South Omaha. The convention was presided over by G. H. Gray of Central City, district president of the state association. The banks were closed in honor of the gathering.

San Antonio bankers are taking the lead in the movement to guarantee a bonus of \$250,000 for the construction of the San Antonio, Rockport & Mexican road from San Antonio to Brownsville.

The Commerce Trust Company of Kansas City will furnish the money required to handle the Austin, Texas, municipal bond issue of \$750,000. Gerald Parker of the Commerce went to Austin last week and secured an assignment of the contract hitherto given to the Texas Trust Company of Austin.

Kansas City visitors during the past few days included the following financiers from the Southwest: W. R. Adair, Citizens National, Kearney, Neb.; B. F. Smither and M. T. Smither of the Woodston (Kan.) National; George S. Murphy, First National, Manhattan, Kan.; D. C. Kay, cashier Moreland (Kan.) State; H. R. Tull, First National, Ridgeway, Mo.; W. H. Morris, Security National, Caddo, Okla.

J. Z. Miller, president of the Western Exchange Bank and vice-president of the Commerce Trust Company, has returned from Texas, where he spent a week on business.

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SURPLUS 300,000
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Correspondence invited :: ::

Joseph Chapman, Jr., of Minneapolis

On the purpose of the A. B. A. committee on agricultural development and education at the Minnesota convention

Briefly stated, the purpose of this committee of the American Bankers Association is to encourage the bankers of the United States to make a study of agricultural conditions, and use their best efforts in all the states in the Union to bring about improved methods of farming, improved conditions of living in the country, improved social conditions in the country and improved educational facilities.

It rather is superfluous for me to talk in Minnesota on this subject at all. Minnesota bankers are taking the lead in this work, our members are enthusiastic about it and we have accomplished some very satisfactory results in the three years we have been engaged in this work in this state. It will be interesting to you to know that some twenty state bankers associations have appointed committees on "Agricultural Development and Education," since the eight states held a conference in Minneapolis and St. Paul last October. Twelve thousand copies of the conference report were printed and circulated among the bankers of the states represented and also among the leading railroad men, educators and business men throughout the United States.

The committee from the American Bankers Association is working with the associations of the states through the conference of committees of the state bankers associations, and will participate in a conference to be held in Minneapolis and St. Paul on the 7th and 8th of August, at which we expect a large attendance and some very interesting addresses and reports of work.

A silver loving-cup has been offered to the committee which shows it has accomplished the most results during the past year, in its own state. The press and agricultural papers have been most liberal in the space devoted to the work of these committees in the various states and have been of the greatest assistance in creating sentiment looking toward the accomplishment of the result we are after, namely: The placing of emphasis on the education of the producer instead of the consumer. For one hundred years all of our energy and all of the machinery of our educational institutions has been running over-time, turning out consumers. In order that we may have bread and butter for the enormous population now living in the United States, and the still greater population which will be here in a few years, it will be necessary from now on to confine our attention principally to the education of the producer, in order that we may be in line with such up-to-date countries as Germany, Switzerland, Denmark and France on this practical question.

It will be necessary for our men and women of wealth who wish to do something for the benefit of society, of the public in general and for the welfare of the people of their own country, to take into consideration when they leave vast sums of money to endow our universities and higher institutions of learning, that only 1.7 per cent of the school population attend these institutions and that 50 per cent of the nineteen and one-half millions of school

children in this country drop out of school before they reach the seventh grade.

Is it not about time that sentiment was created in this country, whereby these good people who are so generous with their money will do something of lasting benefit for the 93 per cent of our boys and girls who never get beyond the grade schools?

The figures quoted show conclusively that our educational system is founded for the classes and not for the masses. There are many signs that the people of the country are awakening. The movement of the bankers in Minnesota along this line has been the most popular public work they ever have attempted. It has met with the most hearty response from people of all classes in all parts of the state. The results obtained by committees in other states on this subject have been most satisfactory. The majority of our farmers don't farm—they simply grub and hoe. Our expert

mechanics have to be brought here from foreign countries, where they received their training in the schools.

In closing, I want to thank the bankers of Minnesota for the enthusiastic support they have given the committee in this state; I want to thank the educators of this state for the interest they are taking in solving these problems, and the broad-minded spirit they have exhibited at all times in the evolution which their profession has been undergoing during the past three years in this state; I want to thank the press of the state for the intelligent manner in which they have handled this great question, and predict that this meeting will be one of the most far-reaching influence of any bankers' meeting ever held in this country. The fact that we have eighty-five high schools in Minnesota teaching agriculture, forty consolidated rural schools in which the elements of agriculture are taught, and that the legislature at the last session appropriated \$1,300,000.00 for agricultural education, is the best indication that the bankers, the business men, the school authorities and the legislature all are working harmoniously in solving this problem. This has all been accomplished within the last three years.

John R. Washburn

John R. Washburn, assistant cashier of the Continental and Commercial National, left the city this week for a trip to the Northwest. He plans to visit Portland, Spokane and Tacoma and will return to Chicago about the first of July.

OUT-OF-TOWN VISITORS

George Whiting Allen, president of the Florida Bankers Association, and delegate-at-large to the republican national convention, has been in the city all week. T. A. Marlow, president of the National Bank of Montana at Helena and who is a member of the republican national committee, also has been in the city. Ex-United States Senator T. C. Power, president of the American National at Helena; Frank L. Smith, president of the First National at Dwight, Ill.; John L. Hamilton of Hoopeston, Ill.; H. L. Remmell, president of the Mercantile Trust Company, Little Rock, Ark., and Elmer E. Hart, president of the First National at Council Bluffs, Ia., are bankers who are in Chicago for the G. O. P. convention.

John J. Sherman, cashier of the Citizens National at Appleton, Wis., was in the city this week on business. E. A. Hall, vice-president, and Albert H. Rankin, cashier of the Sangamon Loan and Trust Company, Springfield, Ill., called on Chicago friends the past week.

THE BUSINESS SITUATION

Business at the present time seems to be in a rather quiet condition, and is assuming somewhat of a waiting attitude. There is very little demand for commercial paper on the part of country banks.



Photograph by Sykes

CHARLES FERNALD
FORT DEARBORN NATIONAL BANK

CHARLES FERNALD, assistant cashier of the Fort Dearborn National of Chicago, recently has been elected vice-president of the California Society of Illinois. Mr. Fernald was born in Santa Barbara, Cal., in 1872, and is the son of Judge Charles Fernald, who came to that state in 1849. He received his education in the public schools of Santa Barbara, and was graduated from Stanford University in 1895. Before coming to Chicago he was engaged in the cattle business. He entered the banking field at Douglas, Arizona, coming to Chicago in October, 1905, and entering the service of the Fort Dearborn as an assistant cashier. He spends a great deal of his time in California and the West in the interest of the Fort Dearborn National, and has an extensive banking acquaintance.

TEN YEARS' PROGRESS

In the Surplus and Deposits of the

Security National Bank Of Minneapolis

Surplus and Profits

1902, \$ 160,000

1912, 2,100,000

Deposits

1902, \$8,000,000

1912, 20,000,000

INDIVIDUAL GROWTH—NOT CONSOLIDATION

The Scandinavian American National Bank

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EDGAR L. MATTSON, Cashier

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Caters Especially to Country Bank Business

Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Returning from the East, George C. Power, president of the Second National, says he found the banking business and business generally rather dull owing to the coming election. He continued:

"Eastern bankers are interested in the prospects of a good crop in the Northwest. Those I visited questioned me closely regarding the crop situation in this section of the country, and I was glad to be able to tell them that the outlook is excellent. Of course it is a little early yet to be able to get a reliable line on the success or failure of crops in the Northwest, but present indications point to a bumper crop everywhere.

"I was glad to find that St. Paul jobbers occupy a high position in large Eastern financial circles. Their credit is A 1 and they are considered gilt-edged customers by all big New York brokers."

A. V. Ostrom Elected a Director

A. V. Ostrom, cashier of the Northwestern National Bank, has been elected a director to succeed E. C. Cooke, resigned. Mr. Cooke is president of the Minneapolis Trust Company. Mr. Ostrom recently succeeded F. E. Holton as cashier.

Attended Iowa Convention

George A. Lyon, assistant cashier of the First National; S. H. Bezoier, assistant cashier of the Security National, and Joseph Chapman, Jr., vice-president of the Northwestern National, attended the Iowa Bankers convention at Cedar Rapids.

Winnebago City Bank to be Liquidated

The State Bank of Commerce at Winnebago City is to be liquidated. It was recently closed and Kelsey Chase, state examiner, says it is insolvent. The bank was closed five weeks ago and the time has been utilized partly in collecting notes, converting assets into cash and getting other notes with mortgages, and in negotiating with men with money to try to rehabilitate the institution. Although Mr. Chase is ready to turn the busi-

ness over to reliable persons, he has not found a taker. The deposits located to date are \$238,536. Assets are as follows: Notes, \$223,397; overdrafts, \$3,876; office equipment, \$1,941; real estate \$5,394; on hand, \$20,997; total, \$255,517. The shortage found since the cashier disappeared is \$19,706.

Minnesota Notes

E. W. Decker, president of the Northwestern National, will be a speaker Tuesday at the convention of the National Association of Farmers Elevator Companies. It will be the first annual convention.

Bank clearings at St. Paul were larger for the first week of June than for any week of the previous two weeks. The total was \$10,907,861, an increase of \$845,000 over the same week of 1911.

Because the state bank examiner refuses a charter for a state bank at Medford, Minn., on the ground that it is too small for the distinction, Medford is resentful. The examiner is therefore to visit the field. The town has 300 persons, two general stores, two grain elevators, two railroads, a creamery, consolidated school, nursery, several small stores and mercantile establishments.

W. E. Lee, the Long Prairie banker, who is stumping the state in favor of his candidacy for nomination as republican governor of Minnesota, has made a keynote speech at Renville, in which he criticized the present state administration, advising his hearers that it is their duty to be in politics and to see that only the right kind of men are elected to office. Renville gauged the success of the affair by counting 402 automobiles outside the speaking place, proving the attendance of the largest crowd ever seen in Renville.

The State Bank of Fairfax, Minn., to recover the contents of its safe, \$255,000 in papers, money and securities, had to take the safe to St. Paul to have it opened. The safe acted up for the first time in twenty years.

When Cashier Albert Carver tried to open the bank's safe one week ago, there was nothing doing with the time lock. The safe was therefore packed up and taken to the capital. The contents were finally gotten out and taken to the First National vaults. The safe is being repaired.

H. B. Humason, cashier of the American National of St. Paul, is combining business with pleasure in a trip to Portland, Oregon. Mr. Humason expects to be away two weeks and will stop at Denver and Salt Lake City en route.

John A. Oace, national bank examiner for the southern district of Minnesota, has been elected assistant cashier of the Merchants National. Mr. Oace is a graduate of the St. Paul high school, for thirteen years was employee of the Scandinavian-American National, and for the last eighteen months of the government.

Backed by bankers, the Provident Loan Society of St. Paul, competitor of loan sharks only in providing help for the needy borrower, has loaned in its first three months' existence \$23,397 of \$24,920 paid in as capital stock. Of the 500 loans the most were for families in need. The borrowers have paid back \$3,778.

St. Paul banks are giving up information requested by the congressional committee studying the money trust.

CHICAGO BOND HOUSES OPEN MINNEAPOLIS OFFICES

The bond houses of Charles M. Smith & Co. and Farson, Son & Co. have opened offices in Minneapolis in the new McKnight building. Harry E. Hallenback will be the northwestern manager for the former concern and Harry C. Goddard for the latter. Mr. Hallenback formerly was cashier of the City National at St. Paul, and Mr. Goddard has been the northwestern representative of Farson, Son & Co. for a number of years.

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RAYMOND J. BURNS, Secretary and Treasurer

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Northern Minnesota, its Prospects and Possibilities

P. H. Konzen, speaking to the bankers of the state presents an array of facts which may be surprising even to the natives and which ought to induce increased immigration, both from abroad and from less favored states at home

Now, in order to be definite, perhaps rather than accurate, I wish to state that in the term Northern Minnesota I shall embrace all that portion of the state lying north of the 46th parallel of north latitude. You know, the word "southern" as applied to any country in the north always has a great charm; and sometimes, in speaking of the southern portion of a state we are apt to include in that designation all of the state except the northern boundary line. So, reversing the proposition, I do not wish to be understood as meaning by Northern Minnesota only the northern boundary line, although even that may be no disparagement to the state.

Within my limitations, therefore, as announced, you will see that I embrace a territory three degrees or approximately 180 miles long north and south, by the width of the northern portion of the state, being an average of approximately 200 miles, which means a total area of about 36,000 square miles. There are located in this portion of the state about 500 lakes, large and small, mostly small yet nearly all of sufficient size for motor boats and power launches, and which lakes, it is estimated, embrace about one tenth of the area, thus leaving about 32,400 square miles of land; or about 20,736,000 acres of the richest and most productive soil to be found anywhere in the world.

Northern Minnesota lies between the 46th and the 49th degrees of north latitude. It goes without saying that all of the Canadian North West, from the western boundary of Ontario to the Pacific coast lies north of any portion of Minnesota. I am inspired to this statement by a conversation I had but a short time ago with a real estate dealer, who handles both Minnesota and Canadian lands, and he told me it was a remarkable fact that in speaking even with intelligent men the mention of northern Minnesota seemed to throw them into a chill, while "Southern Manitoba," "Southern Saskatchewan" or "Sunny Southern Alberta," seemed terms to conjure with. Shakespeare asks "What's in a name?" There may not be much in a name but there certainly is strength and power in adjectives sometimes.

Then carrying the comparison farther, of course, all of the boundary states lying westward, North Dakota, Montana, Idaho and Washington, lie in the same latitude of northern Minnesota. Proceeding eastwardly we find that about one-third of Northern Minnesota lies north of the northern boundary of Wisconsin; about one fourth north of the northern boundary of Michigan, and nearly half of Maine lies within the same latitude. Crossing the Atlantic ocean we find that all of the British Isles, Belgium, the Netherlands and nearly all of Germany lie north of the northern boundary of Minnesota, while the central por-

tion of France, all of Switzerland, the central portion of Austria-Hungary, and even the northern portion of "Sunny Italy," the Provinces or Cantons of Piedmont, Lombardy and Venetia, lie at least partly within the latitude of Northern Minnesota; and even the far-famed, historic and beautiful city of Venice is more than one degree north of the latitude of this city. These are the countries that our foreign travelers have gone into ecstasies over. The countries that have constituted the world's great stage of material, industrial, political and intellectual activities. The countries that are to this day, everywhere, studied with the imperishable monuments of the advancement of the human race through the ages, from the savage to the civilized state; the countries that mark the highest perfection and the greatest accomplishment of man.

Coming back then to our own beloved Minnesota, we have found from the comparison just made, that she is not, nor is any portion of her located too far north or too far south, but that she is located in the very heart of the zone which has in all the ages constituted the world's greatest stage of human activities,

and which has in all ages of the world led the thought and the potentialities which have made for human progress and advancement in all the arts of civilization.

But, not only are we situated in the latitude of the world's great stage of industrial, political and intellectual activities, indicating that we are located in that latitude whose climatic and meteorological conditions are most conducive to physical, mental and moral headway and development in man, but I state it as an axiom and conclusion of industrial logic, and I challenge contradiction, that this northern portion of the state is located in the very heart of the zone which produces the world's great agricultural staples, the chief reliance of man: the food stuffs, the bread stuff, the meat, the vegetables, the dairy products, the corn and even the hardy fruits of commerce upon which the world relies after the namby-pamby luxuries of a more enervating climate are dissipated or cease to satisfy.

In fact, if one great and broad highway of commerce were to be constructed around the world upon a parallel of latitude, and I do not apprehend that anybody in this audience would be very seriously surprised if I should state it as a probability, that within our own generation we might yet behold our own beautiful Zenith City a seaport town, from which the largest vessels will embark upon their trans-Atlantic and trans-Pacific voyages.

What are the prospects of Northern Minnesota's future? will be asked. I answer: the prospects of any country at this age of the world must be measured and gauged by its possibilities and potentialities. Given 20,000,000 acres of land, with as rich and productive a soil as lies under the firmament, with climatic and meteorological conditions not excelled anywhere in the world, with conditions productive of the world's great agricultural staples and with the bowels of the earth teeming in their plethora of the most useful and necessary mineral deposits of commerce; with all conditions most conducive to man's health, welfare, comfort and happiness, it requires no prophetic vision to foresee that Northern Minnesota's future is destined to be great. It is difficult to foresee the extent and limit of that greatness.

Of this 20,000,000 acres of land there are yet several hundred thousands of free acres awaiting the homesteader. There are more hundreds of thousands owned by the state. There are still large tracts in the hands of railroad companies and other corporations and some in the hands of private persons, but all can be purchased at prices which a few years hence will make it appear like a gift in comparison with the prices the lands will then command.

The territory described has at present a



J. W. WHEELER
President Capital Trust Company, St. Paul

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

**Assets Over
\$16,000,000**

The Seattle National Bank

OF SEATTLE, WASHINGTON

SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

R. V. ANKENY, Cashier
J. FURTH, Chairman Board of Directors

Direct Connections
with Valdes, Cordova, Seward, Fairbanks, Nome, and all other Alaska and Coast points.



D. C. ARMSTRONG
Albert Lea, Minnesota
Vice-President Minnesota Bankers Association

population of approximately 550,000 people. A proper development of its agricultural and industrial resources would engage the brain and the brawn of 5,000,000 people. It is capable of furnishing happy homes and fortunes to 10,000,000 people. This may seem an extravagant statement but it must be remembered that Belgium, lying considerably farther north, and with less natural advantages, sustains a population of 570 people to the square mile. At the same ratio Northern Minnesota should be capable of sustaining a population of over 24,000,000.

Our crying need in Northern Minnesota is people; good, strong, healthy, intelligent, honest, ambitious and industrious people. But people who are in ignorance of our climatic conditions and of our agricultural possibilities seem to be under the impression that we cannot produce anything but the small grains, the cereals, and that our country does not admit of the necessary diversification and of that healthy rotation of crops necessary to the successful farming in any country. Even if that were true, a country that raises wheat, oats, barley, rye, spelts, flax and other small grains in abundance and of superior quality, is not to be despised. But besides these cereals of which we produce larger quantities and of better qualities than were ever raised farther south, I have no hesitancy in saying that we can and do produce anything in the line of grains, vegetables, grasses, fruits and garden stuff that they can raise anywhere in the states of Illinois, Iowa or Nebraska.

I paused, because I expected to hear some Illinois or Iowa farmer ask, with great glee and absolute assurance of my utter discomfiture, "Can you raise corn?" Yes, friends, we can and do raise corn. I have lived for the past 30 years within 16 miles of the international boundary line, in Kittson county, in this state, and I have seen that country undergo a transformation from exclusive wheat and small grain raising to diversified farming. For the last five successive seasons I have seen corn matured in our county. For the same

period or longer, I have seen successive crops of clover, of different varieties.

But the impression has gone abroad that our climate is severe, both on man and beast. I have not had time to consult statistics but I think that they would prove just the opposite. I have shown you that this territory lies in the very heart of the latitude of the world's greatest nations, and of the world's greatest commercial and industrial activities. I have also shown you that our climatic and meteorological conditions not only make for the best and most staple agricultural products of commerce but that they are conducive to the best physical, mental and moral development of man. And as they are conducive to the best physical manhood and womanhood, so they are also conducive to the best health and development of all other animal life.

I not only venture the assertion on mere theory but I know from personal observation that cattle and horses will stand it better unhoused during our coldest winter weather in Northern Minnesota than they do in Illinois, Iowa or Nebraska. Stables and barns for stock are no more expensive to build in the northern part of Minnesota than in the state of Missouri. So it will be seen that those states south of us in which lands are selling at prices ranging from \$100 to \$250 per acre have really few advantages over us from any point of view.

In the matter of the uniformity of favorable crop conditions, year after year, Northern Minnesota practically stands in a class by itself; and as a matter of mere personal com-



A. G. WEDGE, JR.
Bemidji, Minnesota
Treasurer Minnesota Bankers Association

fort the continent offers no rival to her conditions.

If any statements that I have made shall cause people to come here to investigate for themselves, or shall cause them to pause in their wild rush across the boundary line into Canada, long enough to ascertain the advantages the state has to offer to those seeking new homes, I shall feel that with all its shortcomings and imperfections my address has been a success.

William L. McKee

William L. McKee, a representative of the Fort Dearborn National Bank of Chicago, was married on June 1st to Miss Margaret Sturgiss at the home of her parents in Denison, Texas.

NEXT TEXAS CONVENTION AT GALVESTON

Austin, Texas, June 8.—J. W. Hoopes, vice-president of the Austin National Bank and secretary of the Texas State Bankers Association, recently returned from Temple, where he attended a meeting of the executive committee of the association. He said the committee has fixed the dates for the next annual convention of the association at Galveston for the second Wednesday in May, 1913, for a three days session, which will be the second Friday of May next.

The question of a program was also discussed and work on the program will be started at once, as the Galveston meeting promises to be a most interesting one. He said the question of a negotiable cotton receipt was discussed and that 90 per cent of the cotton compress people of the state have expressed themselves as willing to co-operate with the bankers in providing a negotiable cotton receipt.

The Farmers State of Princeton, Texas has begun business with \$20,000 capital. The incorporators are Ed West, W. R. Johnston, L. R. Dalton and others.



The Old National Bank OF SPOKANE

This bank is thoroughly organized
and equipped for the proper
handling of all items drawn
on Pacific Northwest points

OFFICERS—

D. W. TWOHY, President
T. J. HUMBIRD, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

American National Bank

WILMINGTON, N. C.

Capital and Surplus, over \$ 300,000.00
Assets - - 2,000,000.00

Officers

W. A. COOPER, President

GEO. O. GAYLORD, Vice-Pres.

THOS. E. COOPER, Cashier

The youngest and most progressive collecting bank in the Carolinas.
Send us your North and South Carolina items for quick returns.

The Equitable Trust Company OF NEW YORK

37 Wall Street

COLONIAL BRANCH, 222 Broadway
FIFTH AVE. BRANCH, 618 Fifth Ave.

LONDON BRANCH, 95 Gresham St., E. C.
PARIS BRANCH, 23 Rue de la Paix

Capital and Surplus, \$13,000,000

OFFICERS

ALVIN W. KRECH, President
HENRY E. COOPER, Vice-President
FREDERICK W. FULLE, Vice-President
HOMAN DOWD, Vice-President
LYMAN RHOADES, Vice-President
A. LUDLOW KRAMER, Vice-President
H. MERCER WALKER, Treasurer
RICHARD R. HUNTER, Secretary

HERMAN J. COOK, Assistant Treasurer
CARLETON BUNCE, Assistant Treasurer
GEORGE M. STOLL, Assistant Treasurer
JOSEPH N. BABCOCK, Assistant Secretary
WILLIAM J. ECK, Assistant Secretary
LAWRENCE SLADE, Assistant Secretary
DUNCAN P. SQUIRE, Assistant Secretary
ROLAND P. JACKSON, Trust Officer

Pays interest on daily balances. Issues interest bearing certificates of deposit. Letters of credit. Travelers' cheques and foreign drafts

George M. Reynolds at the Buffalo Convention

Buffalo, June 13.—The addresses of George M. Reynolds, head of America's biggest bank, would in themselves constitute a complete text book on the American national problem of a new banking and currency system. In his talk here this morning he went over the needs of the country and how they are answered in the provisions of the National Monetary Commission bill. A complete array of statistics was presented in conclusive proof of what he had claimed for it, and, continuing, Mr. Reynolds said:

Now, since as I have already stated, ninety-five per cent of the business of the country is done through the use of credit, and since the money carried in vaults of banks and called reserves is held only for the protection of the credits extended by such banks, the value of the money carried as reserve is necessarily measured by the amount of credit that can safely be extended against that money. So the real power which would accrue to the National Reserve Association by accumulating several hundred millions of dollars in its vaults would be represented by the amount of credit it could extend against it. The plan provides that this credit shall be extended by the association to several thousand banks scattered throughout the country by giving them the right to discount paper with it, which seems to me to clearly demonstrate that the accumulation of reserves by it would really mean the creation of an avenue for the wide dissemination of credit, thereby greatly decentralizing the money power in the United States.

Confusing credit with money as they are related to business has caused much misapprehension of this subject, and has resulted in more or less honest criticism by those who do not fully realize that the "money power," as it is usually applied, relates to the power or control of credit. Thus, if we speak of the "money power" we really mean the power of credit, which is the vital force in business and which may be extended against either money or other tangible and liquid assets easily and quickly convertible into money.

There has also arisen much confusion and misconception through the use of the words

That distinguished advocate of
the National Commission plan
declares that the whole question
of our banking and currency is
our chief national problem —
Touches upon "Money
Trust" inquiry

"money power" and "money trust," for frequently when the words "money power" are used by one person, another in undertaking to quote them, will, either through confusion or arbitrarily and premeditatedly, substitute the word "trust" for the word "power," making it appear as "money trust."

I feel certain there are present to-day those who will think it is heresy for me to say anything upon the subject of the so-called "money trust," but flagrant and unwarranted use of this phrase by those unable to discriminate between the words "power" and "trust," with a view of leading the public to believe there exists between the larger banks of the country a combination for the control and improper use of the money of the country and the credit it protects, causes me to feel I would not be true to the banking fraternity if I were not to take this opportunity to deny publicly any knowledge of the existence of such a trust, and to disclaim any connection, either directly or indirectly, with any such organization.

The word "trust" in this connection implies combination, collusion, manipulation or the improper banding together by those bankers who are carrying the reserves of the banks of the country, for the alleged purpose of withholding that to which the public is entitled, viz., credit.

The agitation of this question of the so-called "money trust" has gained such momentum it has been dignified by the appointment of a congressional investigating committee, and if the investigation by that body can be had along fair and impartial lines and not be made the football of politics, I, for one, will welcome it and will do what I can to assist in it, believing that it will entirely dissipate this

illusion of the existence of a "trust," and thereby disabuse the minds of many well-meaning, but misguided, people who honestly feel that there now exists in the United States a "money banditti," seeking to pounce upon and destroy the unwary and unsophisticated. However, I do not think the proposed investigation should be of such a character as to cause the committee to try to force the banks of the country to divulge the confidential relations existing between the banks and their customers, for such relations have been regarded as sacred from time immemorial; indeed, I believe the committee can secure sufficiently comprehensive information to enable them to make a convincing and satisfying investigation of the subject without doing this.

Our present system of national banking, providing for the concentration in the banks of the three central-reserve cities of such a large proportion of the reserves of the country, naturally places those banks in a position to control the issuing or granting of credits against such reserves, thereby placing the money "power" or the power to extend credit in the hands of a comparatively small number of banks or bankers. Mark you, though, this power has not come to them through any process of usurpation, or as the result of combination, or manipulation, but by virtue of and under the law, and as a result of legitimate practices and the natural and normal trend of the business of the country; and whatever power they wield by reason of this condition is one forced upon them by law, and not one that has been gained by any evasion of or infraction of the law.

I believe the bankers of this country have handled this trust faithfully and well, and have extended credit to the extent of their ability to do so under all conditions. If for no other reason, the law of competition has forced them to do this, for if a bank in a western city carries a large balance in either a Chicago or New York bank and finds it convenient to ask its correspondent for a discount accommodation, the first thing the city banker does is to scrutinize the card showing the average balances carried by the bank mak-

(Continued on page 39)

JOHN McHUGH - President
 JOHN J. LARGE - V.-Pres.
 W. L. MONTGOMERY, V.-Pres.
 HENRY G. WEARE - V.-Pres.
 F. A. McCORNACK - V.-Pres.
 H. A. GOOCH - Cashier
 O. D. PETTIT - Asst. Cashier
 FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIoux CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
 BUSINESS AND OFFER
 YOU EXCEPTIONAL
 FACILITIES. CORRE-
 SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
 Excellent Collection Facilities

ARTHUR REYNOLDS, President
 J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
 C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
 W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
 C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
 Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
 Savings Bank that Makes a Specialty of
 Collections and Bank Accounts

Largest Bank in Clinton
 County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITORY

ESTABLISHED

As a Private Bank, 1877 As a National Bank, 1887
 35 years of continuous, conservative and successful banking

OFFICERS

RALPH VAN VEGHLEN, President
 GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
 KENT C. FIERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

BONDS FOR SALE

Town Bonds for \$4500, in denominations of \$100 bearing
 5% interest from date. Bids close 2 p.m., July 15, 1912.

J. A. BROADIE, City Treasurer
 PIERSON, IOWA

Des Moines, June 12.—It seems to be the unanimous opinion among Des Moines bankers that the convention at Cedar Rapids last week was the best ever held by the Iowa Bankers Association. The attendance was over 1,300, the weather was good on the whole, the entertainment was enjoyable and the program unusually interesting and instructive. The program was carried out exactly as printed with the exception of one number—the address of W. B. Joyce of the National Surety of New York. His place on the program was taken by Charles Burras of Chicago, attorney for the National Surety. The subject was "Bonds and Burglary Insurance." The election of officers resulted in the election of Charles Shade of Rock Rapids for president without opposition. Y. B. Yetter of Davenport was chosen vice-president. Charles R. Hannan of Council Bluffs won the hard fight for treasurer. P. W. Hall of Des Moines was chosen secretary for another term by unanimous vote. At the meeting to select members and officers for the American Bankers Association, B. B. Clark of Red Oak was nominated for vice-president for Iowa. J. L. Edwards of Burlington was elected member of the nominating committee. D. H. McKee of Davenport and H. M. Carpenter of Monticello were named on the executive council for the American Bankers Association.

Perhaps the most important step taken was the naming of an agricultural committee which will further the cause of improved farming in Iowa along the line laid down some time ago by the agricultural committee of the A. B. A. This committee was named as follows: C. H. McNider of Mason City, chairman; C. A. Larson, New Hampton; J. L. Edwards, Burlington; J. A. Dunlap, Keokuk; P. W. Hall, Des Moines. The members of this committee will meet other agricultural boosters at Minneapolis for a conference in August. The committee will also work diligently in Iowa, spreading the gospel of better farm methods and increasing the agricultural wealth. The committee will plan steps which will lead towards the establishment of rural high schools and for the teaching of agriculture in the high schools of the state.

The convention went on record in favor of removing the state banking department from the state auditor's office and placing it upon a footing of its own as a separate department. The convention also went on record in favor of a law at the hands of the next general assembly which will permit Iowa banks to loan money on mortgages on land in other states. The resolutions expressed satisfaction with the increasing demand for non-partisan revision of the national currency and banking laws. They further declare for co-operation of the state and national bank departments so that the state and national bank calls will be upon the same dates. The fight for location of the next convention was decidedly warm

up to the time the convention adjourned. When the vote was cast most of the bankers had gone and there were only a few more than 200 votes cast. Des Moines won with Dubuque a close second and Davenport a close third.

Century Savings, Des Moines

The Century Savings Bank, Des Moines, sprung a surprise on its patrons. During Sunday of last week it changed its fixtures, installing new ones and adding materially to the beauty of the interior. The patrons who reached the bank Monday morning rubbed their eyes and were prone to believe they had reached the wrong place. The bank has taken a lease on its present quarters for five years. Under the presidency of Lee Stevens the institution has made a remarkable growth.

Cylinder Bank Robbery

Three of the men who robbed the Cylinder Savings Bank at Cylinder, Iowa, Friday night are under arrest and at this writing it is thought that the remaining two members of the gang will be in confinement before the end of the week. James Gleason and Frank Collins were arrested at Emmetsburg. To Gust Patek, of the Burns Detective Agency, these men confessed, implicating Charles Fisher of Sheldon, who was arrested the day following. Over \$300 in mutilated currency was found in possession of Gleason and Collins. Secretary Hall of the Iowa Bankers Association is responsible for the arrest to a large extent.

Finger Print Method Being Adopted

Iowa bankers are considerably interested in the finger print method of identification which an eastern institution is introducing. The bankers of Davenport, Rock Island and Moline, who have formed a club, are studying the system and it is possible that it will be installed in one or more of the cities as the result of the agitation. The plan contemplates the taking of three finger prints of each depositor together with his name and age for permanent retention.

Death of M. H. Brinton

M. H. Brinton, president of the State Bank at Ellsworth and president of the American Life Insurance Association of Des Moines, died at his home at the age of 56. Mr. Brinton was one of the best known men in public life in central Iowa. The town of Ellsworth owes much of its growth to him and many a young business man got his start in life through aid from Mr. Brinton. The latter had often intended removing to Des Moines to become more actively identified with his insurance interests here but he always believed that his children could be more successfully raised on a farm and the change was never made. He was quite wealthy.

Planning to Build a Railroad

Newspaper dopesters in Des Moines have it figured that there was a deep plot to build

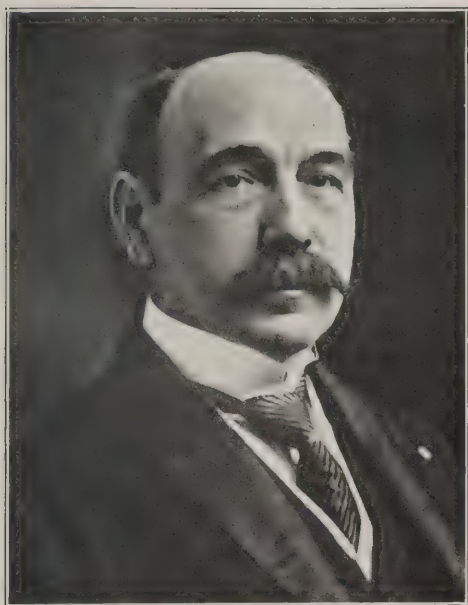


MARINE NATIONAL BANK OF BUFFALO

We invite banks and bankers to correspond with us regarding the service we render to financial institutions in the transaction of any banking business.

Capital and Surplus Earnings \$3,500,000 of which \$3,000,000 has been earned.

Total Resources, Over \$36,000,000.00



C. A. PUGSLEY

Peekskill, N. Y. Vice-President New York Bankers Association

a million dollar railroad back of the golf game which was played in Des Moines some days ago by Joseph T. Talbert of the New York City National and S. M. Felton, president of the Great Western. These two men were ostensibly in Des Moines as guests of Homer Miller of the Iowa National, who pulls off a match game of this sort each year. But the dopesters have it that the two visitors were in reality planning to build a railroad from Minneapolis to Emerson in which the Great Western and the Minneapolis & St. Louis are jointly concerned.

Iowa Banking Notes

Fred L. Walker, cashier of the Mechanics Savings, Des Moines, has taken a two months' lay off and will go to his former home at Albany, Oregon, to spend some of the time on a fruit ranch. Mr. Walker's health has not been the best, and although President MacKinnon is still suffering from an attack of whooping cough, it was thought best that the popular cashier make an attempt to recuperate. Mr. Walker is one of the best known and best liked bankers in the city.

Al C. Miller of the Home Savings of Des Moines has returned from a visit to Washington, where he made his 'steenth visit in the interests of the project to make the Des Moines river navigable. Upon his return Mr. Miller reported to the Greater Des Moines committee that he has every hope that the plan ultimately will become a success.

COL. H. P. HILLIARD HAPPY.

Congratulations are being showered upon Col. H. P. Hilliard, president of the Central National, St. Louis, because of the advent of a bouncing girl baby in the family. Everybody join in!

Sioux City

By JOHN J. BIDDISON.

John L. Mitchell, since 1908 president of the LeMars Savings Bank, has retired from that institution to become vice president of the Live Stock National Bank, of Sioux City. He will shortly move to Sioux City and participate actively in the management of the larger institution. He has sold his interests in the LeMars bank to a number of substantial business men and farmers of the community. M. Kass, the principal holder of the stock Mr. Mitchell has sold, has been elected president of the savings bank. Mr. Kass was formerly connected with the German American Bank, of LeMars. The other officers under the new management are: H. A. Ahlers and G. L. Mammen, vice presidents; L. J. Lieb and John Beely are directors. Mr. Mammen is the only hold-over stockholder.

Mr. Mitchell has been in the banking business for many years. His first experience was in a minor position with the Primghar, Ia., Savings Bank, then with the First National Bank of Sheldon. In 1897, he organized the Citizens Bank, of Lester, Ia., and in 1908 he sold his interests to enter the LeMars Savings.



E. L. MATTSON

Cashier Scandinavian-American National, Minneapolis

ST. LOUIS UNION DOWNS MECHANICS-AMERICAN

St. Louis, June 13th.—The boards of directors of the Mechanics-American National Bank and the St. Louis Union Trust Company fought out a golf rivalry in a match game on the links at the St. Louis Country Club this afternoon. The St. Louis Union team conquered. The game was the subject of much comment in banking circles this week.

The Mechanics-American team, through President Walker Hill, was the challenger, but the betting favored the St. Louis Union side, which was conceded to have an edge in older and more experienced players. The players were matched as follows, the first named in each pair being a Mechanics-American man and the last a St. Louis Union man; A. B. Lambert vs. John F. Shepley, Joseph M. Hayes vs. George W. Simmons, Warren Goddard vs. John D. Filley, P. V. Fout vs. John T. Davis, William H. Danforth vs. N. A. McMillan, Walker Hill vs. Thomas H. West, Hugh McKittrick vs. J. D. Bascom.

MARINE NATIONAL BANK, BUFFALO, N. Y.

The Marine National Bank of Buffalo now is erecting a seventeen story building and will occupy the entire first floor, which will be fitted up as one of the finest banking houses in this country. When completed, the building will be 233 feet above the sidewalk. This is 68 feet higher than any other structure in Buffalo. The four lower floors are to be made into one great banking room, the ceiling of which will be fifty feet above the street level.

The building will be absolutely fireproof. It will not only rest upon rock but nothing will be used in the structure or its finishings but brick, stone, marble, concrete, iron, steel and

bronze. The elevator and stairs are closed at each story with wired glass fireproof doors, so that every office is a unit and practically as secure as a safe deposit vault from fire or smoke. The great banking room occupies the entire main floor, is 75 feet wide and 170 feet long and in size and magnificence is not exceeded by many banks. The foyer will be finished in stone, marble or terra cotta with terra cotta ceiling, the whole in a style artistic and grand, simple yet attractive.

To fitly describe this great building when completed it can be briefly stated, that it will not only be architecturally beautiful, of the best material and construction—an adornment to the street on which it is located and something for Buffalonians to point to with pride—but also a lasting monument to the Marine National Bank.

GROUP 2, INDIANA, AT GARY

More than 125 bankers from Indiana and Illinois gathered at Gary, Ind., on Thursday to attend the annual meeting of Group 2, Indiana Bankers Association. Luncheon was served at 1 o'clock in the Y. M. C. A. building. A trip through the Gary steel mills followed the meeting.

Among the Chicago bankers present were W. G. Edens of the Central Trust Company, C. R. Hieronymus of the Harris Trust and Savings Bank, J. P. McManus of the First National, George H. Melvin of the Fort Dearborn National, E. F. Schoeneck of the Corn Exchange National, W. W. Lampert of the Continental and Commercial National and F. O. Birney of the Chicago Savings Bank and Trust Company.

At the afternoon session Richard Miller of Indianapolis addressed the meeting on "Financial Parasites."

OLD NATIONAL BANK

GRAND RAPIDS, MICHIGAN

Capital and Surplus \$1,300,000.00

Resources - 8,700,000.00

WILLARD BARNHART	-	-	-	-	President
CLAY H. HOLLISTER	-	-	-	-	Vice-President
WILLIAM JUDSON	-	-	-	-	Vice-President
GEORGE F. MACKENZIE	-	-	-	-	Cashier
H. A. WOODRUFF	-	-	-	-	Assistant Cashier

Collections handled on a balance or remittance basis

Northern National Bank OF DULUTH, MINNESOTA

Capital \$250,000.00

Surplus 60,000.00

YOUR DULUTH BUSINESS

will be given the best of attention if sent to

THIS BANK

Try it!

NOW OCCUPYING MAIN FLOOR

New Alworth Building

Tallest Modern Fireproof Building
in Minnesota

"LOOK UP—YOU CAN'T MISS IT"



Michigan Teaches Young Men Science of Business

It often is said by the great leaders of industry that the young man in America now has a greater chance than ever before. This saying, which seems a hard one, when we consider our increasing population and the greater severity of competition, I believe, nevertheless, to be true. One of the important reasons why it appears to me to be true is that a young man may now, by systematic study of the literature available to him, gain a knowledge of the principles and practices of business such as it was not possible for him to do previously except through a long experience with affairs. He may therefore fit himself to carry important administrative and consultative responsibilities much earlier in life than formerly was possible.

I desire to allude briefly to several of these bodies of scientific knowledge and I can perhaps best do so by bringing in some of the historical circumstances which have led to the formulation and public discussion of them in this country since the Civil War. I use this means of introducing my subject the more willingly as I hope it will remove the impression any person may have that by the science of business I mean something which college men, or some other equally obnoxious class of theorists, have originated and are trying to force upon men of affairs. By the science of industry I mean the best practice; the garnered, sifted, and classified results of the life work of the best brains in business, together with the general principles which are seen to underlie these results. The laboratory of the economic sciences is industry itself; its experimenters are the captains of industry; the utmost that the college man has done in this evolution is to help, in a very subordinate capacity, as critic and systematizer.

Conservation

One great department of knowledge bearing upon industry has reference to the basic physical processes involved. I need perhaps only refer to the massive sum of knowledge which the physical sciences have compiled and which, if used, would increase the efficiency of human effort almost beyond our dreams. Much

How and why it is done outlined
at the Kalamazoo convention by
Edward D. Jones, of the Ann
Arbor University. Experience
of years taught in time
saving period

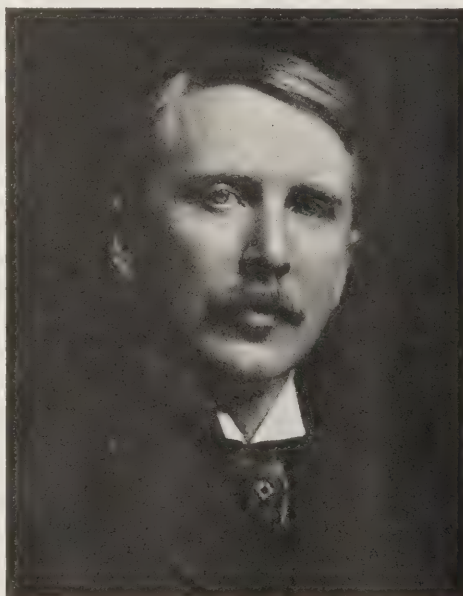
of this knowledge is now in such form that to understand it one must be trained in the appropriate scientific methods. This expert technical knowledge is utilized in industry through testing laboratories, through designing and drafting rooms, and everywhere through the services of engineers and chemists. But there is much knowledge with reference to the physical processes of industry which can be readily understood and applied without strict

scientific training. The largest and most practical body of it we know by the word conservation.

During the Civil War, and for many years afterward, this country was devoted to the rapid introduction of agricultural implements, and the opening of new farming regions on virgin soil; devoted to skinning the forests with the very efficient aid of the circular saw, and to producing cheap coal by hacking at the choicest outcrops without proper drainage plans, haulage ways, or system of working. We lived for 30 years after the Civil War in a fool's paradise, by means of a reckless exploitive process. But at last free land of standard quality was exhausted, and the price of timber began to mount, and the amateur miner was driven to the surface by a general squeeze. The country became alarmed and the cry of conservation was raised. Fortunately for us the agricultural experiment stations, established in 1861, had ready to hand the knowledge necessary to correct our errors in agriculture. Fortunately also we were able to bring over from France and Germany a tolerably complete science of forestry which, after much suspicion and misunderstanding, we have begun to adapt to our conditions, and we could, as well, call upon our geological survey for knowledge regarding the proper means of exploiting mineral deposits.

Finance and Administration

Now let us turn to another line, and one which may seem more closely related to the work of a banker. We all can see going on under our eyes at this time the formation of a science of finance and a science of management. To these subjects the railroad and manufacturing businesses chiefly have made contributions. In the first couple of decades after the Civil War the advance in transportation chiefly was through new building. In manufacturing it was due to the appearance of great revolutionary inventions, or to increase in the size of individual plants, or to the simple extension into a new region of an industry previously established elsewhere. As examples of this sort of progress we may no-



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Vice-President, Old National Bank, Grand Rapids, Michigan

New York State National Bank

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Original Charter 1803

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Surplus - - 500,000
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HENRY M. SAGE, Vice-President

GEORGE A. WHITE, Cashier

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This bank is a Reserve Agent for National and State Banks and seeks business from all banking institutions. It has direct connection every day with over 800 points in the United States. The officers of the bank invite correspondence in regard to terms and on any banking subject.

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The Investment Department of this Company Specializes in Real Estate Securities, Mortgage Bonds, First Deeds of Trust and First Mortgage Serial Notes.

tice the introduction of McKay's sewing machine in 1863, which revolutionized the manufacture of shoes, the introduction of the Bessemer process of making steel in 1867, and the commercial development of the high-roller process of manufacturing flour at Minneapolis about 1870.

Appraisals

Two businesses cannot consolidate without an audit of the accounts, to determine the book values involved, nor without appraisal, to go behind the books, and independently determine the value of the different classes of assets. During the years I have mentioned, when consolidation took place so rapidly, every experienced accountant and consulting engineer in the country was in demand to fix the values of physical assets and to set a price upon such intangible values as goodwill, franchises, unexpired patent terms, and going value. The theory of valuing property has, therefore, been rapidly developed, and this theory the young man who aspires to leadership as a financier should master.

Auditing and Cost Accounting

These great consolidations have developed administrative problems of a kind not before known. The owners are now more distant and scattered than formerly, and those who act for them as directors or responsible officers must rapidly review work of vast variety as carried on in many different places. The necessity has arisen for more exact methods of cost accounting and auditing by which the executive can at once and easily locate any inefficient performance. Cost accounting may be described as an instrument of precision for the business man. Since the safety of investments depends more upon income than it does upon assets the student of finance must know cost accounting as an instrument used by income producing types of management. He should know when it is a matter of indifference in a business whether expense is spread by one or another of the usual methods. He should know when factory burden cannot satisfactorily be divided as a percentage on labor time, when not as a per cent on labor cost. He should understand machine hour rates and their problems, and should be a sharp critic of the practice of setting appreciating assets as a sufficient offset against the depreciating.

Corporation Reports

Since the big corporations communicate with their stockholders, and the general in-

vesting public, by means of printed reports, it becomes the duty of those who handle investments in corporations securities to analyze financial reports, both interpreting the meaning of what is told and observing the significance of what is not told. Here will arise such questions as the following: On which side of a balance sheet do the falsifications usually occur? What are various tests for padded assets? What are wasting assets, and how should companies manage which have them? What circumstances determine the amount of working capital a business should have? What is the difference between the significance of current liabilities owing to a bank and those owing to trade creditors? What are the different kinds of things which in American finance are called reserves?

Investment

The consideration of these points leads us to another recent movement of the greatest importance. The investor of small means has, for some time, been making a radical change in the nature of his investments. Years ago he kept his money near him, preferably in real estate, or obligations secured by it. Now he buys bonds, and even the stocks of railroads and industrials. The banker is called upon to advise with reference to investments at a dis-

tance, and in corporations of national extent which neutralize local conditions but respond to general swings of the country's business from prosperity to depression, or the reverse. The financial advisor must, therefore, be a student of underlying conditions, or of the reaction of the money market, the commodity market, and the security market upon each other, to the end that, in some degree, he may be able to predict the sequence of events which makes up a trade cycle. He must follow the barometers which foretell changes and understand the limits of the value of the signs of any one barometer or of any given combination of them.

Time fails me to speak of the mathematics of finance, of which a young man should early gain control so that he may as clearly perceive the force of compound interest and discount as the schoolboy does of simple interest, and thus be able to deal with problems involving present worth, annuities, sinking funds and bond valuation.

Nor can I say anything of the principles of administration upon which so many business men have been thinking since scientific management was presented to the public by a talented group of engineers.

It has been, indeed, a wonderful generation in this country, which found business a strenuous but confused negotiation, a rule-of-thumb and rule-of-guess process, and which now leaves it equipped with scientific laboratories, cost accounting systems, planning departments, appraisers, auditors and system experts. A generation ago the basic principles of industry were known to the select few; this generation has added enormously to the sum of knowledge, has systematized it, and made it accessible to the public. So that it is now possible for the young man, at the close of the day's work, to open a text-book in his room and stand in the presence of the great financiers and administrators, follow their reasoning, and strengthen his mind by thinking their thoughts after them.

The study of the principles to which I have made these hurried allusions is not especially difficult: it certainly is fascinating when once fairly entered upon. The mastery of them will insure to the individual material and intellectual rewards of a high order, and to society coherence and tone from the fact that action is based, not upon the dictates of persons, but upon principles of universal and permanent validity.



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Several Experienced Cashiers and Assistant Cashiers for country banks; every one well recommended; some can take stock if desired. C. B. Enkema & Company, 236 Security Building, Minneapolis.

GEORGE M. REYNOLDS AT THE BUFFALO CONVENTION

(Continued from page 25)

ing the application for the discount. Finding that bank has maintained an average balance of \$200,000 to \$500,000, he knows full well that he must grant the accommodation or lose the balance. So, I say, this matter of securing discount accommodations is measured by the law of competition, under normal conditions, and by the ability of the city bank to extend credit during abnormal conditions.

The bankers of the country, having learned by bitter experience during previous panics that our system of banking and currency does not provide facilities for even their own protection, to say nothing of the protection of their depositors, when confidence is disturbed and fear is abroad in the land, during the panic of 1907 applied the principle of co-operation to the conduct of their business in a practical way, with the result that more failures in business and greater widespread loss and ruin were averted.

The introduction of this principle of co-operation in banking has marked another milestone in the progress of our business, for bankers, having found that working together for the common good of the cause proved so highly advantageous, have, since the panic of 1907, applied these principles to the affairs of their customers when the credit of a customer has been assailed.

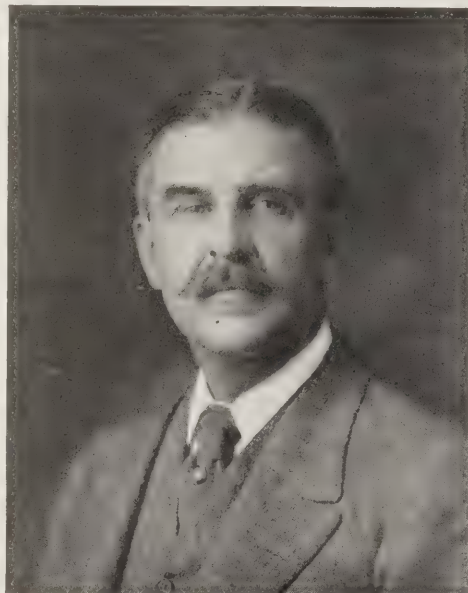
The banks and other creditors, instead of pouncing on the crippled institution and tearing it into shreds, in the vain effort of each creditor to see how much of his claim he can secure, without reference to the claims and rights of other creditors, now call a meeting of all the creditors, fully investigate the real condition, and if it is possible to save the concern from failure by conserving the assets, they apply the principle of co-operation, appoint a creditors' committee to manage the affairs of the disabled concern, and very often through such harmony of action they put the affairs of the company or individual on a good basis financially; whereas, under the old order of things, when it was a case of each one for himself and "the devil take the hindmost," bankruptcy followed, and the return of but a small percentage to all the creditors.

Capital, like individuals, follows the line of least resistance. In contact with your friends and customers, you meet many with whom you differ upon the principal topics of the day, but you do not engage in an altercation with each of them. No more does capital concentrating in any city run counter to the traditions under which capital has been used in that city, for it is certain to follow the line of least resistance, and, like the water in the stream, follows the main current.

The application of this principle of co-operation by the banks as a basis of self-protection both to themselves and to their customers, thus conserving the assets and oftentimes the integrity of both, preventing failures as well as contentions between the creditors of

concerns whose solvency is questioned, as was the case under the old order of banking, has caused many to misconstrue the real condition of affairs and apply the term "trust" to this harmony of action, which is always prompted, so far as I know and believe, by the highest motives born of a sense of fairness and justice and reflecting a desire on the part of bankers to conserve and upbuild rather than to tear down and destroy.

Therefore, I repeat, I do not believe in the existence of any such thing as a "money trust." Whatever the investigation of the so-called "money trust" may disclose, I venture to predict it will be found that currency legis-



LEDYARD COGSWELL
Albany, New York

lation providing for the establishment in the United States of the National Reserve Association along such lines as in recommended by the National Monetary Commission will serve as a complete corrective of any unsatisfactory condition.

Considering that such a large percentage of our people recognize the weakness of our present system of banking and currency, and in view of the existing widespread demand for currency legislation, I must confess that I am amazed at the attitude of apparent indifference which some of the members of the congress of the United States show toward this, which to my mind and the minds of many people, is the most important subject of legislation before our people at this time.

It seems to me it is imperative that we should have immediate action upon this subject, but in view of the fact that our representatives at Washington seem so disinclined to seriously consider it, I sometimes wonder if it is going to be necessary for this country to be plunged into another panic, with its consequent loss and suffering to millions of our people, to bring our legislators at Washington to a sense of their duty in this matter.

It seems that we had to have the calamity of the Iroquois Theatre fire in Chicago, with its consequent loss of nearly six hundred lives, before we secured safe theatres in this country; we had to have the sinking of the steamer Slocum with its freight of hundreds of human souls before we had safe pleasure boats, and, more recently, the disaster of the destruction of the Titanic at sea, carrying with it to a watery grave some sixteen hundred people, before we could have safe ocean passenger vessels.

Is it possible that we must experience another panic before the members of the congress of the United States will awaken to the

appeal to their sense of duty in this great crisis of needed currency legislation?

Had the thoughtful attention of congress and the vigorous action of its members recently given to an investigation of the causes which sank the Titanic been given to the formulating and passage of laws for the protection of passenger boats before this accident occurred, it is probable that many human lives would have been saved; and so if the members of congress will do their duty in this extremity of needed currency legislation, they will, now, before disaster has overtaken us, give such attention to the subject as will result in its proper solution, thereby saving the necessity later on of appointing a committee to investigate the causes of what will, if legislation is not enacted, prove to be our next serious financial panic.

The influence of a proper banking and currency system will reach the hearthstone alike in the mansion and the hut, and for this reason it should inspire in us a desire as well as a determination to treat so important a subject—the most important legislation since the Civil War—along broad lines of patriotism, and free from petty party politics and prejudices.

In some respects, the present is an inopportune time to secure desired legislation, for following so closely in the wake of tariff legislation, which left many scars, and preceding the close approach of what now seems reasonably certain to be a more or less acrimonious presidential campaign, party feelings and personal prejudice run high, but since the proposed currency legislation is calculated to serve alike all the people of this country, regardless of their political affiliations, we must depend upon the intelligence and sense of fairness as well as the patriotism and their love of their country to cause our business men to arise in their might and insist upon at least one important piece of legislation being considered free from party bias and party prejudice.

Credit is not partisan; currency is not partisan; personality, integrity and character are not partisan; then why consider from the standpoint of partisanship the question of the establishment of an institution that will deal in non-partisan qualities, calculated to serve alike and faithfully people of all parties and all creeds?

I appeal to the members of congress and wish that I might impress upon them the urgency of the duty they have to perform through providing for this country a proper system of banking and currency, and I would that they might be brought to a realizing sense of the necessity for early action—action on their part free from partisanship and bias and reflecting an honest, patriotic desire to truly be of service to their constituents and country.

All the post-mortem investigations in Christendom cannot restore to life a single one of the brave heroes who perished on the Titanic; no more can an investigation following and inquiring into the cause of our next panic make restitution of one penny of the loss that panic will bring to thousands of our people.

That our banking system is weak is well known; that there is wide-spread demand for legislation is equally known. The knowledge that banks are powerless to sustain the credits of the country under grave crises causes us to be cognizant of the existence of icebergs of fear all about us. We know we are in the midst of danger. Can we depend upon congress to protect us from the blighting effects of another panic, through the enactment by it of financial legislation, or must we, like those ill-fated passengers on the Titanic, close our eyes to all danger and seek consolation in the probability that if we are overtaken by a panic the cause of that panic may be the subject of congressional investigation?

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

WHAT has happened in two or three cases is that as soon as the purchaser obtained possession he substituted other securities for those on hand and resold the bank to irresponsible persons. Private bankers are warned that these alleged purchasers are dangerous individuals.

THE sales department of Coffin & Crawford has been consolidated with the office of C. H. Childs & Co., and W. R. Crawford of the former firm has been made manager of the municipal bond department of Childs & Co.

YORKVILLE is on the bankers map with a vengeance from now on. Best group meeting No. 4 ever held took place there on Tuesday. It is a one-bank town in the richest agricultural valley in the world, the deposits being at least fifteen to one of capital.

FROM the published reports one would think that Vanderlip, Hepburn, et al. either do not know much about the New York clearing house situation, or, that they are not overanxious to tell it all. The Pujo committee has a very insistent, impudent attorney handling the inquiry.

FARMERS STATE BANK, Chicago, has again enlarged its quarters to care for increasing business.

CHARLES B. WRIGHT, Crystal Lake, the new secretary of Group 4, has come honestly by the honors. Often he has been the only man from his county to attend the meetings, hence the boys were glad to show appreciation.

YOU hear a great deal at the Illinois group meetings about "W. G. Edens, father of the group system," but very little about those who were the fathers of the opposition, and for five years successfully strangled every attempt to have the plan adopted. Selah!

IN years to come they will introduce B. F. Harris as the "father of supervision in Illinois," and those who foolishly oppose that forward movement will, in future years, be quite as regretful as the former group opponents now are.

GROUP 2, down at Pekin, had a fine attendance. Secretary Wm. C. White was on the job and the program, a very fine one, was put through on schedule time.

ED. HULBERT, Chicago, told of the things which he didn't like in the National Monetary Commission plan and Dr. W. E. Taylor of Moline had the "soil cure" end of it. Luncheon was at the Tazewell Club and Chairman M. O. Williamson presided as toastmaster.

"COMMERCIAL Paper as a Bank Investment" is the title of a little booklet being sent out by Hathaway, Smith, Folds & Co., of this city. The text is by J. Herbert Case of the Franklin Trust, Brooklyn. They gladly will send you one.

YOU saw the picture of C. H. McNider, the distinguished Iowa progressive, in last week's paper? Well, it was another "Mack" but not McNider. The proper thing to do is to write him a joshing letter about it. Nearly everybody but you has done it.

THERE is talk at Mason City of suing THE CHICAGO BANKER for "pictorial libel," but the suit we're afraid of is when the real "Mack" finds McNider's name under his picture.

DEAN C. F. CURTIS, of the Iowa State College at Ames, who made such a hit at the Cedar Rapids convention on "Vocational Education," spoke on the same subject at the

Minnesota meeting this week. He is an earnest, able speaker who pleases his hearers.

THE "Open Book" advertising of the Colonial Trust is very attractive, being a "series of convictions upon the principles of banking in which this institution believes," and addressed to the public in the daily press.

NOTHING Group 4 ever has done in its seven years of life reflects more credit upon its judgment and sense of fairness than its endorsement of W. T. Fenton for a place on the Big Council. His services to banking are of the monumental order, and clearing house examinations and the clearing house section will continue to sound his praises.

A COMMITTEE of the stockholders of the Mechanics Savings Bank at Toledo, recently closed by the state bank examiner, have asked the governor to insist upon the immediate reopening of the institution, on the ground that it was closed as the result of a conspiracy.

QUITE a lot of boom talk for George Woodruff as next chairman of the council, to be elected at Peoria, was heard at Yorkville on Tuesday. It was on this basis that he was put on the council by Group 4.

COL. J. S. AISTHORPE of Cairo has been put in the running again by his group. Two such splendid fellows will give interest to the situation. They are warm friends and will remain so.

THOMAS J. DAVIS, cashier of the First National at Cincinnati, has been "tipped" off quietly as a likely candidate for chairman of the Big Council at Detroit. He is a fine, able man and has many friends.

THE major talk continues to run toward Cogswell as the choice of the East, with a number favoring Joe Wayne of Pennsylvania. We hear there isn't to be any rough-work this year, nothing in the line of "personally conducted petitions" or pledges. Such plans must always fail in the aristocratic A. B. A.

HANDS across to F. O. Watts, the baseball player," as he described himself at the Cairo convention two years ago, where he delivered an address to the Illinois bankers as president of the American Bankers Association. He is going into the Third National, St. Louis, as vice-president, at (so it is said) \$25,000 per year.

BONDS PAYING 5 TO 6%

	To Net You
Spokane & Inland Empire R. R. 5s (1926) - - - - -	5.00%
Virginian Railway First 5s (1962) - - - - -	5.05%
E. St. Louis & Suburban 5s (1932) - - - - -	5.25%
California Gas & Electric Un'g & R'g 5s (1937) - - - - -	5.27%
Springfield (Mo.) R'y & L't 5s (1926) - - - - -	5.50%
United R's St. Louis Gen'l 4s (1934) - - - - -	6.00%
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Send for full descriptions of these and other Municipal, County, Railroad and Public Service Corporation Bonds—all thoroughly safe and adapted to the most advantageous investment of the funds of your institution. We shall be glad to reserve bonds for July delivery. Write us today.

D. Arthur Bowman & Co.

Third National Bank Building

ST. LOUIS, MO.

THOSE who have been at his beautiful home on the heights in Nashville and witnessed his popularity in his own city will be amazed that he could be tempted to leave it all. Such is life!

MR. HUTTIG will have another able, faithfully loyal and devoted assistant in his big, growing bank. Mr. Watts is destined to take high station in the higher circles of finance. His is an attractive personality, far beyond the common. He has been a blessing to Nashville in material and social ways, and the bankers of St. Louis will welcome him in no uncertain way.

CHARLESTON STATE BANK, of which John M. Glasco is cashier, recently has increased its capital stock and added the names of some influential stockholders, making its capital and surplus at the present time \$140,000. The bank carries a good line of deposits. Mr. Glasco recently was elected chairman of Group 6, at the Tuscola convention.

T. K. CONDIT, cashier of the First National at Beardstown, Ill., announces that his institution will occupy its new home next December. The new building will be a great credit to Beardstown, and the First National will be one of the banking show places of that section. The bank has capital, surplus and undivided profits amounting to \$243,000.

CASHIER.

THE MINNESOTA BANKERS ASSOCIATION

Secretary Charles R. Frost reported at the state convention this week, at Minneapolis, 966 members, a net gain for the year of 47, leaving only 66 banks out of the fold. The income of the association from membership and commissions was \$24,158.40, of which \$14,531.74 was net. Secretary Frost says: "The insurance department continues to make progress in the amount of new business handled, but owing to the unprecedented decrease during the past year in burglary rates on the better class of safes and vaults, our commissions have been very much smaller; in some cases as much as 400% lower than they were two or three years ago. The rate on certain classes of safes now is 50 cents per thousand, as against \$2.00 per thousand less than two years ago. During the past year we have been obliged to cancel a large number of burglary policies and re-write them on a much lower premium basis. To give you a specific illustration, a short time ago one of our members purchased a new safe and we were obliged to cancel a policy the premium on which was \$205.00 and rewrite it for a premium of \$22.50, a difference of \$182.50."

The work of the protective department was highly commended.

IDAHO PROGRAM

The eighth annual convention of the Idaho Bankers Association will convene at Coeur d'Alene on June 18th. This meeting promises to eclipse all former sessions of that organization in every phase that goes to make up a profitable and pleasant convention.

Among the speakers will be E. W. Wilson, of San Francisco, on "International Banking and Trade;" F. A. Freeman, Portland, "Modern Banking Methods;" F. F. Johnson, Boise, "Analysis of the Bank Account;" William Thomson, Lewiston, "How the Proposed Currency Reform Will Benefit the Country Banker;" Motley Flint, Los Angeles, "Building Up a Bank;" George N. O'Brien, San Francisco, "How the Panama Canal Will Affect the Business Interests of the Pacific Coast States;" E. F. Larson, Nampa, "Local Bank Co-operation;" J. C. Blackwell, Parma, "Benefits of Group Organizations;" and W. J. Maxwell, Seattle, "Bank Advertising."

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1912

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J. G. ORCHARD	-	-	-	Cashier	H. G. P. DEANS	-
					Mgr. Foreign Dep't	

CAPITAL AND SURPLUS - \$9,000,000



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

THE NATIONAL CITY BANK OF CHICAGO

Capital	-	-	-	\$ 2,000,000.00
Surplus and Undivided Profits	-	-	-	587,563.63
Deposits	-	-	-	30,713,013.20

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L. H. GRIMME	-	-	-	Cashier	WALKER G. McLAURY	-	-	Assistant Cashier
W. T. PERKINS	-	-	-	Assistant Cashier	R. U. LANSING	-	-	Manager Bond Dept.
W. D. DICKEY	-	-	-	Assistant Cashier	M. K. BAKER	-	-	Asst. Manager Bond Dept.

Fourth Street National Bank OF PHILADELPHIA

Capital	-	-	\$3,000,000.00
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W. K. HARDT, Assistant Cashier	

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NEW EVENING TRAIN ST. LOUIS EXPRESS

Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m. An up-to-date train in every particular, with an early evening departure from Chicago.

New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped throughout, with a late evening departure from Chicago. Stops made in both directions at South Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars, Sleeping Cars. Free Reclining Chair Cars and Coaches.

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The Girard National Bank OF PHILADELPHIA

Capital	-	\$2,000,000
Surplus and Profits	-	4,716,000
Deposits	-	46,275,000

FRANCIS B. REEVES
President

RICHARD L. AUSTIN
Vice-President

T. E. WIEDERSHEIM
Vice-President

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Vice-President & Cashier

CHARLES M. ASHTON
Assistant Cashier

CHARLES F. WIGNALL
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The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

JUNE 22, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago, Illinois, under Act of March 3, 1879

10 CENTS A COPY

MORE THAN A BILLION IN DEPOSITS

Deposits in all the banks in Chicago at the beginning of business June 15th were virtually \$1,009,000,000. This is an increase of about \$3,150,000 over the deposits April 19th.

The state banks and trust companies reporting their conditions as at the beginning of business June 15th showed an increase of \$5,388,000 in deposits, compared with the decrease of \$2,239,000 reported by the national banks the day before. The state banks also increased their loans \$6,000,000, and made a slight reduction in their total cash resources.

TITLE COMPANIES MERGE

A consolidation has been agreed upon between the Real Estate Title and Trust Company and the Chicago Title and Trust company, to become effective upon approval by stockholders.

Under the agreement, which has been approved by the boards of directors, the Chicago Title and Trust company is to increase its capital stock from 50,000 shares to 56,000 shares, 6,000 of which are to be exchanged for the 10,000 shares of the Real Estate Title and Trust Company. Prices for the shares are up from 190 to 222 with prospects of going higher. You will remember "our tip" a month ago to "get in" at 186.

Harry Grut

Harry Grut has been elected cashier of the newly organized Mercantile Trust and Savings Bank, to be opened soon in the new Burlington Building at Jackson Boulevard and Clinton Street. Mr. Grut has been with the Continental and Commercial National and its predecessor for the past fifteen years.

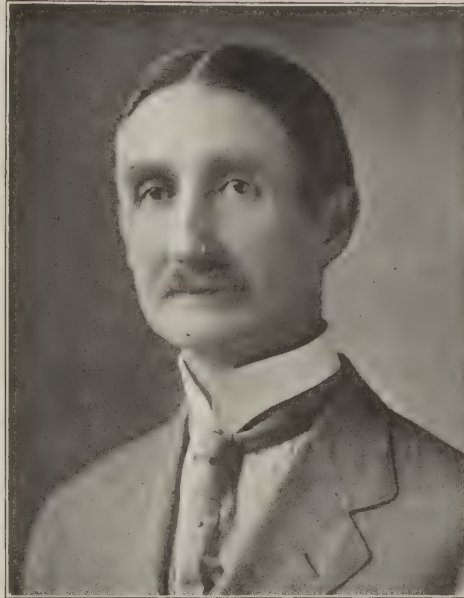
OUT-OF-TOWN VISITORS

F. M. Lawton, president of the City National Bank of Lawton, Oklahoma, was in the city recently. C. W. Crabtree is assistant cashier of this institution and is a brother of E. E. Crabtree of Jacksonville. W. B. McLaughlin, vice-president of the Houghton (Mich.) National Bank, and who attended the Michigan convention held in Kalamazoo, spent Saturday in Chicago. George E. Keyes, assistant cashier of the Farmers National at Springfield, looked in on the republican national convention this week. Jonce Monahan, president of the Citizens State Bank, Orleans, Indiana, is a hoosier banker who visited Chicago this week.

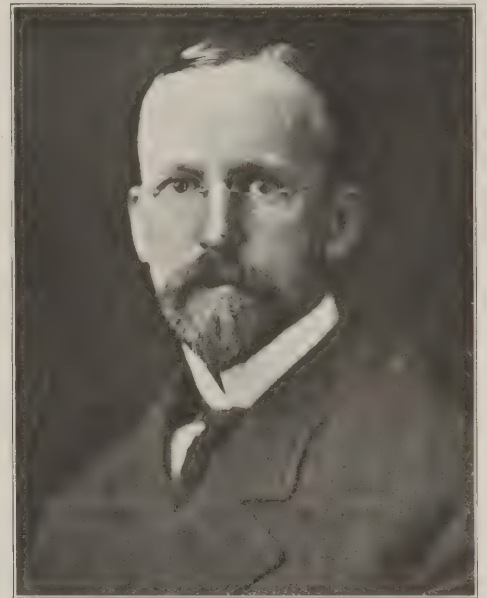
George S. Parker, president of the Live Stock National Bank, Sioux City, Ia.; John McHugh, president of the First National Bank of the same town and J. H. Hogan, cashier of the German Savings Bank at Des Moines, are three Iowa bankers who visited the Coliseum and the financial district this week.

F. Brandenburg, assistant cashier of the First National of Amarillo, Tex.; J. A. Jackson of the Gate City National of Kansas City, Mo., and J. W. Crabb, president of the Tazewell County National of Delevan, Ill., are out-of-town bankers, who called on Chicago acquaintances the past week. E. E. Mitchell, cashier of the First National of Carbondale, Ill., also visited

Leading Presiding Officers of the Week



A. J. HAZELTINE
WARREN
President Pennsylvania Bankers Association



WALDO NEWCOMER
BALTIMORE
President Maryland Bankers Association

the financial district. Mr. Mitchell is state treasurer for Illinois. W. W. McCormick of the Farmers Bank, Emden, Ill., and who is a candidate on the democratic ticket for state representative from the twenty-eighth senatorial district, also was in the city.

JAMES G. WAKEFIELD AT JAMESTOWN

James G. Wakefield, assistant cashier of the Corn Exchange National of Chicago, has been out of the city this week attending the sessions of the convention of the North Dakota Bankers Association, held at Jamestown on the 19th and 20th.

F. A. Crandall

F. A. Crandall, vice-president of the National City Bank of Chicago, is out of the city on a business trip. Mr. Crandall is in California and expects to return to Chicago about June 25th.

MRS. BATCHELLER ON BIG COUNCIL

Report from Jamestown is that the North Dakota bankers have elected Mrs. L. A. Batcheller, president of the First National at Fingal, a member of the A. B. A. executive council. Mrs. Batcheller has been an attendant at many conventions. C. A. Batcheller, her husband, was a member of the council retiring only three years ago. Mrs. B. is popular and well known among bankers. She will be the first woman to sit on the Big Council.

CHICAGO NATIONALS ANSWER THE CALL

The nationals in Chicago in reply to the comptroller's call, show slightly decreased deposits for June 14th, with a correspondingly small increase in cash resources. Compared with the figures of February 20th, however, there is a slight gain.

The larger banks made the most conspicuous changes. The Continental and Commercial was off about \$1,500,000, compared with April 18th, but was up \$8,400,000 compared with February 20th. The First National was off \$500,000 compared with April 18th and off \$3,600,000 compared with February 20th. The Fort Dearborn was ahead compared with both dates. The Interstate and the Jefferson Park showed gains over the last call. The La Salle was about steady. The National City Bank was up compared with April 18th, and also February 20th. The Washington Park, one of the outlying institutions, showed an improvement over both previous calls.

FOREMAN BANK OPENS TRUST DEPARTMENT

Foreman Brothers Banking Company, has taken the entire banking floor in the Stock Exchange building, and will open a trust department. The savings and real estate quarters have been enlarged.

The State Bank of Chicago expects to move into new quarters in the Otis Building, La Salle and Madison streets, about October 1st.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

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GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

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HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

GEORGE M. REYNOLDS
President

JOHN JAY ABBOTT
Vice-President

GEO. B. CALDWELL
Vice-President

CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

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KNAUTH, NACHOD & KÜHNE, Bankers
NEW YORK LIEPZIG, GERMANY

Fort Dearborn National Bank

CHICAGO, ILLINOIS



United States
Depository

Capital	-	-	\$2,000,000
Surplus and Profits	-	-	600,000
Deposits	-	-	27,000,000

Comparative Showing of Deposits

February 14, 1908	.....	\$ 9,887,954.84
February 5, 1909	.....	11,617,691.24
March 29, 1910	.....	15,041,357.21
March 7, 1911	.....	21,574,956.79
June 7, 1911	.....	23,137,746.88
September 1, 1911	.....	24,500,075.82
December 5, 1911	.....	25,445,199.89
February 20, 1912	.....	26,207,446.32
April 18, 1912	.....	27,237,752.30

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President J. FLETCHER FARRELL, Vice-President
HENRY R. KENT, Cashier
GEORGE H. WILSON, Ass't Cashier CHARLES FERNALD, Ass't Cashier
THOMAS E. NEWCOMER, Ass't Cashier WM. W. LeGROS, Ass't Cashier
HARRY LAWTON, Mgr. Foreign Dept.

We particularly desire accounts of banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you.

Drovers Deposit National Bank

OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-nine years rendered Efficient and Quick Service to its Correspondents

Resources, Ten Million Dollars

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JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER
GEO. M. BENEDICT
WM. C. CUMMINGS



Mainly About Banks and Bankers

IT'S your own opinion as to what sort of figure Hepburn and Vanderlip cut on the witness stand so long as you tell it not in Gath!

IF Chris Magee were alive to-day he'd have a fit to see Wm. Flinn coming forward as the "peoples" champion against the bosses.

B. M. CHATTELL of the Illinois Trust, who has not been well for a couple of months, has gone to Atlantic City to recuperate.

F. W. ELLSWORTH, Guaranty Trust, New York, came in on the train, Saturday, bearing the New York delegates. He was on his way west to speak on "Bank Publicity" at the Washington and Oregon conventions, and stopped off over Sunday to visit with his good mother.

DOUBLEDAY BROTHERS, Kalamazoo, had the foresight to present each delegate and alternate to the republican convention with a neat, flexible, leather-bound memorandum book in which to keep a record of offers and promises made.

H. E. YOUNG, editor of the "Farmers Review" has sent a man to Europe to investigate farming and farm loan conditions just so Edwin Chamberlain and Myron T. Herrick will not have the field to themselves.

EVERY one in Indiana is a poet or an author. We can prove this by any member of the Indiana Society of Chicago. Even the bankers have been inculcated and President Samuel M. Foster of the German American Trust, Ft. Wayne, is no exception.

WHEN that estimable bank put up a new building recently, Mr. Foster communed in spirit with James Whitcomb Riley and evolved the following, which made a big hit with the prudent and saving literateurs in that vicinity. Here's what Banker Foster wrote:

SAY, all you south side people,
Come down from off your perch;
There's a bank now on the corner
Where there used to be a church.
And this little bank was put there.
Like the church of former days,
To convert the thoughtless sinner
From the error of his ways.

WE want to get the dollars
You've been spending without thought.
Instead of laying them aside
For the future, as you ought.
The interest we will pay you
Will open up your eyes,
And soon you'll find your savings
Quite respectable in size.

A DOLLAR is sufficient
To open an account,
And every dollar added
Will increase the net amount.
And this, when drawing interest
At the rate of 4 per cent,
Will make you feel quite different
From the money that you've spent.

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

OF course this will make W. O. Jones, the ex-Kansas poet-laureate, jealous, but it is so good and to the point and such good advertising that we expect Fred Ellsworth to adopt verse as the best "medium" after all.

AFTER the election of D. C. Armstrong of Albert Lea, who is president of the Albert Lea State Bank, to head the Minnesota Bankers Association, succeeding retiring President Donald S. Culver of St. Paul, and the election of J. S. Pomeroy, cashier of the Security National Bank, Minneapolis, to the vice-presidency, the Minnesota convention named Francis A. Gross and Edgar L. Mattson, as Minneapolis members of the executive council.

JOSEPH CHAPMAN, Jr., was elected member from Minnesota of the executive council of the American Bankers' Association, succeeding J. W. Wheeler of St. Paul. Mr. Wheeler was elected to the executive council of the Minnesota association, also M. T. Dunn of Brainerd. The four retiring council members are Frank E. Holton and George F. Orde, Minneapolis, George H. Prince, St. Paul, and W. A. Shaw, Clearwater.

THE selection of officers was favorably commented upon after adjournment as reflecting the position to which the association has committed itself with regard to the greater extension of agricultural education. The new president is identified with country banking and is an advocate of work for farm life improvement, and the two Minneapolis members of the executive council are interested in the work, Mr. Matteson being also treasurer of the Minnesota State Agricultural society.

JOSEPH CHAPMAN'S election was understood as Minnesota's entry for the chairmanship of the Big Council, at Detroit, or at a subsequent meeting. It is conceded that he has it coming to him several times over for work done and goods delivered.

THE net results of the convention were less important from the standpoint of banking than any of recent years but vastly more important with relation to agriculture. With regard to banking the principal developments were:

REAFFIRMATION by the association of its support of the financial plan of the National Monetary commission.

DETERMINATION to bring the association membership over the one-thousand mark, the number of members being 966, against 920 a year ago.

PROBABILITY of the introduction under bankers association auspices of a "Blue Sky" law at the next regular session of the Minnesota legislature.

WITH regard to agriculture and its development and the need of greater attention to the education of the children of the farms, the convention went unequivocally on record as standing for practical work, and pledged its influence for further effort.

FROM January 1, 1902, to the present time, there have been but six bank failures in Minnesota. In one instance the depositors received 88 1/3 per cent in final settlement, in another instance 75 per cent, and as the record covers a ten-year period, it is considered a remarkable indication of the soundness of the banks of the state.

MINNESOTA is a bank supervision state and no other kind of banking can be done there. That's the real reason the bankers do not fail.

PRESIDENT DON CULVER said: "Our association was first to make a feature of agricultural education—we accomplished something and are still doing it. At the present time nearly every state bankers association in the Northwest has taken up the work, until to-day Minnesota and our sister states are establishing schools for scientific farming throughout their entire territory.

GEO. F. ORDE said "If real farm dinners are like those we got at the college, I can't for the life of me see why Chapman has so much trouble keeping the boys on the farm!"

"BLUE Sky" law is such a popular cry at all the bankers conventions that one is amazed that T. R. did not think to steal it away from Dolley and add it to his collection of "my policies."

J. W. WHEELER is one of those who do not like to see the Minnesota association robbed of her rightful credit. As chairman of the committee on agriculture he said:

"SINCE the appointment of the first agricultural committee of this association and its first report, the attention of the nation has been directed to the subject of vocational training and better agricultural methods as never before."

MANY big men carefully stayed away from their clubs and accustomed haunts this week, thereby giving the impression that they were habitating at the Coliseum.

"HOLD ON!" yelled the Colonel at the National committee, but they misinterpreted his meaning.

FOUR years ago there were 219 contests by anti-Taft delegates. Only three were
(Continued on page 31)

RESOURCES
OVER EIGHT
MILLION
DOLLARS

COLONIAL TRUST & SAVINGS BANK

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Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing.

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tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

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THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-eight years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

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AUGUST BLUM, Vice-President	R. F. NEWHALL, Assistant Cashier
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FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

NATIONAL
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OF CHICAGO, ILLINOIS

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D. A. MOULTON, Vice-President	J. E. MAASS, Assistant Cashier
CHAUNCEY J. BLAIR, Vice-President	JAMES G. WAKEFIELD, Assistant Cashier
B. C. SAMMONS, Vice-President	LEWIS E. GARY, Assistant Cashier

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The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY

CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

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CO-OPERATE WITH US

IN GIVING YOUR SHIPPER CUSTOMERS THE BEST SERVICE ON THEIR TRANSACTIONS AT THIS MARKET BY MAINTAINING AN ACCOUNT WITH

THE LIVE STOCK Exchange National BANK OF CHICAGO

President A. J. Hazeltine to Pennsylvania Bankers at Bedford

The shortness of human life is brought most forcefully to our minds when we take a glance backward. It seems to me now but a very brief period since that 18th day of December, 1895, when in the assembly room of the Continental Hotel, Philadelphia, the Pennsylvania Bankers Association was formally organized. Nearly seventeen years have passed. Many of those who took a leading part in the activities of that day are gone from us. Of the officers elected on that occasion, President Rushton and Vice-President Day are gone. Secretary Frank M. Horn and Treasurer Wm. L. Gorgas are still with us as prominent and useful members. Of the eight group chairmen elected for the initial year of association work, Henry C. Parsons and Samuel R. Schumacher are dead. Of the committee of nine who were appointed on organization and publication, the following have passed on: Wm. H. Rhawn, who did more than any other man in the matter of detail; R. H. Rushton; J. H. Willock and John J. Foulkrod. Bishops Whittaker and Foss, who offered prayer at this first meeting of the association, have ceased from their work here.

Probably no year of the association's history will pass without more or less decimation of the ranks of its membership. Doubtless many of those who to-day fill messengers' positions will seventeen years hence take prominent parts in fostering the interests of this association.

The work of the American Institute of Banking is accomplishing a great good in stimulating the large force of junior officers and clerks in our banks to acquire a proper theoretical knowledge of accounting, and a broader view of banking management and problems generally. It is with much regret that I have to announce that the chapters decided not to have a debate at this meeting.

That state-wide organization of bankers in all of the states of the Union will come is unquestioned. It is commendable that continually greater interest is being manifested and every state has now its organized society of bankers, excepting only Delaware, Rhode Island and Connecticut. There should and must be unanimity of action among the financial institutions of this country, if the greatest good to the greatest number of its citizens is realized.

Legislative action on all great matters which affect the progress and advancement, hopes and well-being of our people is all important and none more so than in respect to banking and currency. The proposed plan by the non-partisan National Monetary Commission, which has been promulgated after years of research and careful study in all the phases of banking and currency, both in this country and abroad, is calling for a verdict by the bankers and business men of the country. As our lawmakers usually have enough discrimination to keenly regard their own self-preservation politically, this verdict naturally precedes the passage by congress of an act incorporating the National Reserve Association, should such legislation be enacted. The National Citizens League, bankers' associations, chambers of commerce, together with many other agencies at work, should soon bring

Pays high tribute to the A. I. B. Sees promising signs of prosperity. Believes in using public funds to encourage reproductive enterprise and in helping the farmer. Praises state banking department

about a public opinion much more favorable to legislation which will, at least, strengthen the present weak currency system and benefit all interests.

Doubtless uninformed and prejudiced people have condemned the National Monetary Commission plan because the members of that



A. S. BEYMER
Pittsburgh
Vice-President Pennsylvania Bankers Association

body have given so much attention to the investigation of financial systems abroad, and have reasoned from the experience of these foreign nations as to what would be beneficial here. We must reason from analogy, experience and by comparison. It is only in this way that we can safely arrive at proper conclusions. These comparisons, to be sure, must be made in a careful, comprehensive manner, making all due allowance for the difference in conditions abroad and in our own country.

Officers and directors of banks are not capitalists as such, but in reality trustees for other people, stockholders of their institutions and of the depositing public. There should be a fine balance between being safely conservative and progressive. The gathering up of the floating capital of the country and the employment of it in such manner as to develop the industrial, commercial and agricultural interests is certainly a highly honorable occupation and one calling for the highest order of talent, for which service as rendered, I believe, the American people should be profoundly grateful. As dealers in money and credits much depends on their honor, integrity and ability. As we all know, cases of maladministration of

banks are rare nowadays and the speaker believes we can claim, without being charged with a lack of modesty, that taking into consideration the immense sums passing through our hands, the confidence of the public is warranted and the unfair charges of political demagogues who seek to gain popularity with the rank and file by throwing out insinuations as to the relationship between the banks and the people are refuted. That there are no antagonisms between legitimate enterprise and capital is known to all who are well informed and unbiased. Most of us have perhaps known bankers who became avaricious and sought to charge the highest possible rates of interest or discount. I imagine that there are few if any of this sort existing to-day. The rate to borrowers from banks in Pennsylvania is a fair one and I have no idea whatever that this is so because of any usury law on the statute books. Should avarice at some time or other possess a banker's mind he would soon become dispossessed of the idea, as the charging of an exorbitant rate is likely to be injurious in more than one way, there being a certain loss of good-will and a possible loss of the funds. Although within narrower limits possibly, the rate for money will fluctuate the same as for any other commodity, and is but natural, reasonable and to be expected.

With soundness in underlying conditions, a small indebtedness abroad, a cheering prospect for good crops, no serious labor troubles in prospect and less attention paid to politics than formerly during a presidential year, the outlook is bright, and at any rate no interests are subserved by taking a pessimistic attitude. The wise banker, however, is always noting the signs of the times and making preparation for trouble should it come.

Our people are to be congratulated on the increased exportation of manufactured products, but that the trend toward industrial enlargement may be altogether salutary, it is necessary to stimulate the "back to the soil" idea. We must not forget that our exports of agricultural products are on the decline, largely for the reason that we need such at home. The National Department of Agriculture is doing something toward dignifying the occupation of the farmer, and through its paid agents inciting him to a deeper study of scientific accomplishment by pointing out the importance of the analysis of his soils, good seed, rotation of crops, etc.

True statesmanship on the part of congress and our state legislatures would be indicated strongly by making such use of the public funds as would encourage reproductive enterprise rather than the support of unproductive projects. In other words the truest philanthropy is in assisting people to help themselves, and is reciprocity in the best sense of that term also. That great corporation, the Pennsylvania Railroad Company, is doing a good work in assisting the farmers along its lines in organizing clubs. But this matter is to be discussed in full by Mr. Harris, the president of the Illinois Bankers Association, and I will not further enlarge upon it.

During the last one-half century the interdependence of nations, municipalities and business interests has grown until at the pres-

The Fourth National Bank Of the City of New York

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President

CHAS. H. PATTERSON
Vice-President

SAMUEL S. CAMPBELL
Vice-President

E. W. DAVENPORT
Vice-President

CHARLES E. MEEK
Vice-President

DANIEL J. ROGERS
Cashier

CHARLES E. FOX
Asst. Cashier

EDWIN T. ROSS
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RAYMOND B. COX
Asst. Cashier

WE endeavor to make our service so fit into the business of our customers, that their own business advantage is thereby increased.

Our methods, equipment and men are developed according to the demands of the most modern banking practice.

Write for our monthly "Business and Financial Outlook" mailed on request.

CAPITAL AND SURPLUS, \$10,000,000.00



WACHOVIA BANK AND TRUST CO. WINSTON-SALEM, N. C.

With ample facilities and up-to-date methods this bank is located at the logical collecting and distributing point for the South Atlantic States. **CORRESPONDENCE INVITED**

Capital and Surplus \$1,595,123.61

Deposits \$5,222,665.86

Resources \$6,817,789.47

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JAS. A. GRAY
Vice-Pres.
H. F. SHAEFFER
Vice-Pres. & Treas.
T. S. MORRISON
Vice-Pres.
JAS. A. GRAY, Jr.
Sec. & Asst. Treas.

ent time it is only the ignorant who suppose that hard times or disasters occurring in other countries denote greater prosperity to their own. As an instance, the recent coal strike in England if prolonged would have greatly demoralized our cotton growing industry. Trade relationships have become so close between nations by changed conditions in recent year that war between them would bring great confusion to commerce generally. International credit is so important to most of the great powers on account of intimate commercial relations that wars involving civilized countries are becoming less and less likely to occur. The point which I would like to bring out is that we are drawing nearer to a peace basis and that means greater stability to all kinds of business in the United States, and is especially important to that of banking.

You, gentlemen, as bankers of Pennsylvania, among others who have the organized control of the capital of the world, exert a great influence on the side of peace, as the belligerently inclined as they face each other must remember that without capital successful war cannot be carried on.

We have in Pennsylvania at the present time an efficiently conducted banking department. In my opinion, Commissioner Wm. H. Smith is doing all that anyone could do with the inadequate amount appropriated for his use. It goes without saying that building and loan associations should pay a reasonable fee for examinations the same as banks and trust companies are required to do. These additional fees would most likely make the department self-sustaining.

The savings deposits in state banks, trust companies and savings institutions are now about three hundred and thirty millions, the increase in the last six months having been approximately thirty millions. No reference is here made to savings fund deposits.

In a recent report from the office of the comptroller of the currency, I note that the national banks of Pennsylvania have \$150,000,000 of deposits on interest, and this sum added to like deposits in savings banks, state banks and trust companies aggregates nearly five hundred millions, and shows great thrift on the part of the people.

General Secretary Fred E. Farnsworth, of the American Bankers Association, wrote me recently in answer to some inquiries that Pennsylvania has eight hundred and twelve members and is third in point of membership, New York being first and Illinois second. The total membership is about twelve thousand seven hundred, which comprises members from every state in the Union and a few from Alaska, Cuba, Hawaii, Porto Rico, etc.

Pennsylvania Convention

Bedford Springs, Pa., June 19.—The Pennsylvania Bankers Association has just concluded its eighteenth annual convention at this place, the sessions lasting two days. The headquarters of the council of administration were in the room adjoining Convention Hall, where delegates and visitors were invited to register. The convention was called to order at 9:30 on Tuesday, at which session President A. J. Hazeltine, of Warren, delivered his annual address, after which the annual report of Secretary D. S. Kloss and the report of the council of administration were read. The secretary reported that membership in the association now numbers 1,142, a net gain of thirty one during the past year, Pennsylvania thus continuing to lead all the eastern states in membership. The protective department of the association was called upon at various times during the past year, but only two cases were referred to a detective agency, and disposed of at a total cost to the association of but \$59.11. Group meetings have been annual events of much importance in the several districts. Following the report of the secretary, reports of the treasurer and of the various committees were heard, also those of

group secretaries and group chairmen. The first day's session concluded with an address on "The Use of Life Insurance in Bank Credit," by Edward A. Woods of Pittsburgh. A meeting of the trust company section, of which C. E. Willock is president, was held immediately after the adjournment of the first session. On Wednesday President William Livingstone of the A. B. A. talked to the Pennsylvania bankers on the American Bankers Association, and was followed by B. F. Harris, president of the Illinois Bankers Association, who spoke on "The Banker and His Relation to the Public Welfare." Following Mr. Harris was Detective Burns of the Burns National Detective Agency, who chose as his subject "The Protection of Banks." At the conclusion of the speaking, officers of the association for the ensuing year were elected and installed, after which the convention adjourned.

The amusement features were well looked after by the entertainment committee. On Monday there was a musical at 8:15 p. m. On the following day the annual baseball game between the eastern Pennsylvania bankers and those hailing from the western part of the state was played at 2:30 in the afternoon, while a vaudeville and smoker were held in the evening. The usual golf and tennis tournaments were conducted, commencing on Monday. Prizes were awarded to those exhibiting the greatest prowess. Frank M. Waring of Tyrone had charge of the musical entertainment of visitors and delegates; Charles V. Thackars of Philadelphia looked after the interests of those who like to see the national game; Secretary Kloss had charge of the entertainment provided by the vaudeville and smoker, while A. S. Beymer of Pittsburgh and A. D. Swift of Ridgway, respectively were in charge of the golf and tennis tournaments.

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For these reasons we feel justified in cordially inviting the New York accounts of banks and trust companies.

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Capital and Surplus \$23,000,000
Deposits - \$178,000,000

DETROIT BUSINESS MEN ENTER- TAINED BY ASSOCIATION OF COMMERCE.

Among the five hundred members of the Detroit Board of Commerce who made the trip to Chicago on the steamer City of Cleveland III were John R. Bodde, assistant cashier of the Peoples State Bank of Detroit, and J. T. Ferand, Jr., a director of the First National. An automobile ride through the boulevards, dinner at the Hotel La Salle and a ball game between the "Sox" and Boston completed the entertainment provided by the Chicago Association of Commerce for the visitors.

The First State at Holstein has voted to increase its capital stock from \$25,000 to \$50,000.



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Capital, Surplus and Profits, \$6,000,000
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invites the accounts of banks, corporations, firms and individuals*

F. W. VAIL ON "THE BANKER'S MISSION"

President F. W. Vail of the Milnre (N. D.) National addressed the North Dakota bankers at Jamestown on the subject of "The Banker's Mission." Mr. Vail is a very busy man, and told the bankers he regretted that he did not have adequate time to handle his subject as he would have wished. However, he made a very strong presentation without sermonizing, and was very warmly applauded at his conclusion. He described the banker as he is regarded by the rest of the world, and deprecated the fact that many people predict other than a happy future life for the busy banker of the day. In concluding his remarks Mr. Vail said:

"But we stray away from our subject, 'The Banker's Mission.' As we ask ourselves the question, 'Has the banker a mission?' and consider a moment. I think each one has rising up before him a sort of panorama of the various activities which call for his work in that little world in which he moves. As a matter of fact, in the towns of North Dakota, to an unusual degree, the business activities revolve around the bank or banks which exist in their midst. The position of the North Dakota banker is therefore unusually strong in fulfilling the mission in whatever form he may see it. Primarily the mission is one of assistance, to help every worthy individual get along, to better his client's position—to be in very truth a missionary of the gospel of good profits to all lines of business with which he may come in contact in the conduct of his institution—a little help here, furnishing funds to buy a needed extra team there, loaning money for the construction of a silo at a third place, advancing money to purchase blooded cattle for another customer, ever assisting legitimate enterprise, ever preaching the gospel of good profits, better conditions, a higher civilization. We have a sample of the opportunity for general usefulness in the aid given the better farming propaganda which has been taken up by the North Dakota Bankers Association.

"While it may be argued that the banker is but helping himself in taking up such work, that is only true indirectly. He helps his farmer-client primarily and himself only indirectly. In my references to opportunities for good I have held to North Dakota's conditions with which you are familiar and on which my hearers have a present and ever personal interest.

As Billy Sunday would say, 'It affects every damned one of you.' Your responsibilities lie in the opportunities which the Almighty has thrown in your way. There are few lines of business which throw so many opportunities for doing good to their fellows as come to bankers. Neglect those opportunities and you will have an awful load to carry in the final reckoning of accounts. As you depart to your homes pray take with you a resolve, not to figure the interest to the last notch—in the language of the railroad manager, 'to take every last cent the traffic will bear,' but give the other fellow a chance—a reasonable chance—for a profit; look about you for the many opportunities for aiding others—they are on every hand—and you will have fulfilled the true mission of the banker—that of human helpfulness."

F. W. ELLSWORTH AT OREGON CONVENTION

Gearhart Park, Ore., June 21.—Fred W. Ellsworth, the famous New York expert on bank advertising, was the hit of the day at the Oregon bankers' convention. In concluding his talk Mr. Ellsworth said:

"Some banks there are which do not believe in advertising—either good or bad. Such banks belong to the good old school, the members of which looked upon banking as more than a business—more even than a profession. They considered it a special 'calling' and felt

that it was absolutely unethical to indicate in any way whatsoever any anxiety or desire for business. Well, those pleasant old days are about over. To-day modern business, even among banks, is extremely competitive, and the institution that sits idly by making no effort to secure customers will assuredly make less of a success than will its advertising competitor across the street, other things being equal.

"The question of bank advertising in the last analysis resolves itself down to this proposition: Does it pay a bank to advertise? The answer to this question may be found in the testimony of scores of banks all over the country who have advertised in an honest, straightforward, sensible, dignified, conservative manner, and have shown as a result a steady, healthy, continuous growth. True it is that there are many banks that have grown without the aid of advertising, but it is fair to assume that their growth would have been greater had they adopted the policy of talking to the people through the medium of advertising. Those institutions who are convinced that advertising does not pay have undoubtedly formed their opinions from the use of bad advertising. Those who assume the contrary view are, no doubt, advocates, not of bad advertising, but of the good.

"When all banks come to believe in the latter kind, and to practice that belief in a consistent manner, there will exist a far better understanding between the banks and the general public than there is to-day, and both the banks and the people will be the gainers thereby."

EDWARD A. WOODS BEFORE PENNSYLVANIA BANKERS

Edward A. Woods of Pittsburgh delivered an address this week before the Pennsylvania bankers at their convention held at Bedford Springs, choosing as his topic "The Use of Life Insurance in Bank Credit." Bank credits may be divided into two classes—those unaffected by death, and those which are affected by death. It is the latter class with which bankers are most deeply concerned. Mr. Woods firmly believes in the use of life insurance as collateral. The credit of a corporation or a partnership with which there is connected a number of prominent men, generally is good as long as the principal spirits of the enterprise are alive; but just as soon as death occurs the credit of the business is

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affected very seriously. If the bank is fortified against such a contingency by the possession of life insurance as collateral for loans made to the partnership or corporation, the difficulties and annoyances incident to the winding up of the estate of a deceased debtor thereby are obviated. Mr. Woods cited one instance of where the stock of a certain bank went up \$8 the day that one of its most prominent and active spirits died, which was due to the fact that it was known generally that the bank would receive \$250,000 cash from his life insurance. Then again the receipt of a large amount of cash from a life insurance policy often has the effect of carrying a wavering banking institution safely through the period of distress incident to money stringencies and times of financial unrest.

NORTH DAKOTA CONVENTION AT JAMESTOWN

Jamestown, N. D., June 20.—The program for the tenth annual convention of the North Dakota Bankers Association held in this city yesterday and to-day was of such an attractive nature that the attendance has broken all records for this state. Secretary W. C. Macfadden is being congratulated everywhere upon the successful completion of the meeting and the careful carrying out of every preparation which had been entrusted to him. The association has been doing a great deal of work along the line of promoting better farming, and has stood back of the Better Farming Association of North Dakota, issuing its bulletins regularly to the bankers, with a regular mailing list in the secretary's office. The first speaker on Wednesday morning was

State Engineer T. R. Atkinson, on the subject of good roads. He was followed immediately by Thomas Cooper, who explained the practical working of the Better Farming Association of the state. Special reports from different parts of the state were read by directors of that association. Joseph Chapman, Jr., of Minneapolis spoke on "Financing an Agricultural Community," and was paid the compliment of having a crowded house to hear him.



LOUIS WAGNER
President Third National Bank, Philadelphia, Pennsylvania

P. W. Ross of Grand Forks spoke on the American Institute of Banking, and F. W. Vail upon "The Banker's Mission." After this the convention got back to farm topics again and listened to the Hon. Henry Hale of Devils Lake on farmers' clubs and their advantages to the community. Chairman Arthur Reynolds of the A. B. A. executive council was present and made a short talk concerning the affairs of the big association. There were other addresses on such subjects as dairying, road-building, seed-testing, and an interesting discussion on the "Blue-Sky" law of Kansas for driving out fake stock sellers and manufacturers of crooked bonds. Some of the most interesting of the addresses will be found elsewhere in this issue of THE CHICAGO BANKER. Secretary Macfadden reported a membership of 651, a gain of twenty-six for the year. Banking statistics of the state show that the association is nearing the mark of absolute membership, which is the ambition of the able secretary of North Dakota. The group system has been perfected during the past year, and nearly all of the groups held regular meetings at which the attendance was very satisfactory. North Dakota cares for the time locks of the members and maintains a number of active committees which do the real work of the organization. There was but one attempt at burglary in the twelve months between conventions, and the detective association is being congratulated for driving out a gang of crooks which operated in that territory for several years. The association maintains a paid attorney, and this year the opinions rendered by him will be indexed and published in the proceedings book, where they will be of great value to the membership. The

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The assessed value of the property taxed for payment of these bonds is **more than twenty times** the total amount of the bond issue.

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net commission on the insurance placed this year amounted to \$2,551.75, of which a little more than half was refunded directly to members using association policies. Secretary Macfadden showed conclusively that the reduction in insurance rates in connection with rebates on purchases of certain supplies makes membership in the North Dakota association quite a profitable investment for a banker. Quite an amount of attention has been devoted during the past year to the subject of bank taxation by a committee of which T. S. Hunt is chairman. His report shows conclusively that banks pay from 25 to 30 per cent more than their fair share of taxes in comparison with other interests in the state. The secretary's report shows that the organization is in good financial condition.

H. N. PHILLIPS BEFORE VIRGINIA BANKERS

H. N. Phillips, cashier of the Peninsula Bank of Williamsburg, Va., in speaking before the Virginia Bankers Association this week, touched upon two topics which are of vital interest to bankers, viz., the unrestricted organization and chartering of new banks, and the

frequent establishment of banks at points where ample facilities already exist. In speaking of the first, he said:

"Under the laws of our state, any five men furnishing the minimum requirement as to capital, regardless of character, ability or local conditions, can ask for and will receive a charter to open and operate a bank at any place whatsoever that may suit their good pleasure, and there is no power given anywhere to anyone to say them nay. I doubt not that every banker before me can recall the establishment of some bank which, to say nothing of moral character, was officered and managed by men entirely unequipped for the conduct of a banking business. Unfortunate results must follow and do follow. Banking is more than a trade or mere occupation, and to its successful conduct in the broad sense of not only earning money for its stockholders, but serving well its community, calls for men of strict integrity, sound judgment on varied subjects, keen perception, broad sympathies and strong resolution. Without that equipment, no matter how many thousands of cash may be available, no charter should be granted any applicant."

In speaking on the second topic Mr. Phil-

lips strongly urged that a bank should not be started in a community where banking facilities already exist, unless the volume of business of that community is sufficient to warrant the establishment of an additional institution.

MISSOURI BANK CLERKS ELECT

St. Louis, Mo., June 18.—The Board of Management of the Bank Clerks' Association of Missouri meeting at the German Savings Institution elected the following officers: F. W. Wrieden, National Bank of Commerce, president, second term; H. Hail, Third National Bank, vice-president, second term; Hugo Boehl, German Savings Institution, treasurer, tenth term; F. Falkenhainer, Mechanics-American National Bank, secretary, twenty-eighth term.

A new bank, to be known as the Swedish-American State Bank, soon will be opened in Chicago, with a capital of \$200,000. The new bank will be located at Balmoral and North Clark streets. The incorporators are W. Adolphus, W. G. Arnold and others.

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CAPITAL ONE MILLION DOLLARS



Banking Conditions in North Dakota

Perhaps I should tell you what I have done as president during the past year, and if this were all, my address would be short. The real work of the association has been done largely by our energetic and self-sacrificing secretary, Mr. Macfadden, and by our very efficient chairman of the executive council, Senator McDowell. To these gentlemen do we largely credit the splendid efforts put forth by our association during the past year, and we owe them a debt of gratitude which we have no other means of paying than by showing our appreciation in every way possible.

Personally I have attended every meeting during the year where my presence would seem to be required, except at the group organization meeting at Mandan. I attended the several meetings incidental to the forming of the Better Farming Association, at Fargo and at Minneapolis, and I am proud to state that this association, which promises to be of such great importance to our state, if not a child of ours, is at least very closely related to our bankers association, and it is the work we have done in helping to form this association and the assistance we have offered in starting it out on its splendid mission which marks our real achievement during the past year. I had the pleasure of attending the organization meetings of group associations at Grand Forks in February, and at Minot in April. At all of these meetings we found close to the firing line our very much alive secretary, and the genial smile of the chairman of our executive council was in evidence at most of them. And right here let me mention one thing which has interested us very much and which I think our state would do well to consider. I refer to the "Blue Sky" law of Kansas, with which most of you are more or less familiar, and which I believe was enacted through the efforts of the bankers association of that state. Under that law any corporation, before offering its stock for sale in the state of Kansas, must first obtain a license through a commission. We were told that since that law went into effect more than 50 per cent of the corporations applying for such licenses were refused—undoubtedly for good reasons. We all know the evils of unlimited freedom of stock-jobbing, which in

President Karl J. Farup delivers his annual address to the delegates at the Jamestown convention

many cases means peddling "blue sky" without a silver lining, and our legislative committee would do well in trying to get such a law on our statute books, thus affording some protection to our state against the unscrupulous sharks which infest every state whose doors are wide open.

But lest I occupy too much of your valuable time I must proceed to considering the real subject of my address, that which I believe to be the crowning event of the efforts of our association since its birth—the only time we have really gotten down to "brass tacks," as our friend Mac would say—I refer to our part in the creation of the Better Farming Association of North Dakota.

I would tell you if I could who is the father of the Better Farming Association, and his name ought to be indelibly inscribed upon our records and in our minds, but I am unable to do so. The need of an association of that kind was in the air and the call to action came from

several sources simultaneously, not only from our own state, but also from the Twin Cities, which may be said to be a commercial part of North Dakota, being the centers to which a large portion of our trade gravitates. The time had come when it was evident that the best results could no longer be obtained by the crude methods of farming which proved quite satisfactory as long as we had virgin soil to sustain us, and inasmuch as we have little to depend on aside from agriculture it was evident that an educational campaign for the improvement of our farms should find a ready response, and it did. We knew and appreciated the good work done by the agricultural college and the experiment stations maintained by our state, and it was not the idea to set up anything in opposition, but rather to endeavor to add to the work done by these institutions and to co-operate with them. No one with ordinary intelligence can fail to appreciate that nature's laboratory is the greatest institution of earth; the farmer is a worker, and at the same time a stockholder, in this

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enormous factory, working on shares in a way, reaping his harvest in proportion as he works with or against nature, or rather as he makes nature work for or against him. Surely agriculture is the greatest science of all, and its possibilities are unlimited, and to elevate it to a higher standard—to make farming a profession instead of a drudgery, a profession worthy of the best men of our state—to make two blades of grass grow where there was formerly but one,—is the great aim of the Better Farming Association, and who would not be with us? Did someone whisper that we had better learn our own business before we attempt to teach our farmers how to do their work? My friend, we are not trying to; our aim is to encourage scientific education in agriculture, and to take a part in making it possible for all to get the benefit of scientific knowledge practically demonstrated.

In a speech at St. Paul last winter, Joseph Chapman, Jr., made the statement that although the great state of Minnesota is dependent largely on farming, only about two per cent of the funds appropriated for education in that state was given to agricultural schools—do you wonder that the flow of people from the farm to the city continues? How long will it be before we can so elevate life on the farm as to make the farmer's son prefer that noble work—yes, it can be made a noble study—to city life with all its uncertainties? It will come here as it has in the old world,—if time would permit I would like to talk an hour about what I have seen over there,—and we are engaged in trying to hasten the day.

A meeting was held at Fargo last December, where representatives of Minneapolis and St. Paul corporations met with the executive committee of the North Dakota Bankers Association, and offered to match dollars with North Dakota for agricultural education in our state, provided a proper organization were formed through which such funds could be properly expended, and as a result of this the Better Farming Association was formed, and officers elected as follows: E. J. Weiser of Fargo,

president; P. L. Howe of Minneapolis, first vice-president; Clarke W. Kelly of Devils Lake, second vice-president; E. Y. Sarles of Hillsboro, treasurer; and Thomas Cooper, secretary.

The association at once proceeded to practical operation by offering to any county in the state which would by popular subscription contribute one-half of the cost of employing an agricultural expert as an advisor to the farmers, an equal amount to cover the other half of such expense, and I believe, so far, eleven counties have organized to make use of the proposition and have raised their half of the

necessary funds, and eighteen field experts have been employed, and at present are working in fourteen counties.

NASHVILLE BANKS AGREE TO MERGE

Nashville, Tenn.—At an early date the Fourth National Bank of this city is to absorb the First National Bank, combining deposits and resources that will make the Fourth National the strongest in the South. This action has already been decided upon by the directors of both banks, and steps have been taken to secure the consent of the comptroller of the currency, following which James E. Caldwell, present chairman of the board of directors of the Cumberland Telephone and Telegraph Company, will be president of the Fourth National.

By the merger the bank's combined deposits will approximate \$15,000,000 and its combined resources \$20,000,000. The capital stock of the Fourth National is \$600,000, and that of the First National \$500,000.

Frank O. Watts, for a number of years president of the First National, only last week accepted the vice-presidency of the Third National, St. Louis.

NEW YORK BANKERS ADJOURN

The nineteenth annual convention of the New York Bankers Association came to a close last Friday with the election of the following officers: President, C. A. Pugsley, Peekskill; vice-president, R. H. Treman, Ithaca; treasurer, C. L. Schenck, Brooklyn; secretary, W. J. Henry, New York. The selection of the place for holding the next convention is left to the entertainment committee.

A new committee was appointed to be known as "Committee on Agricultural Development and Education" consisting of Charles M. Dow, chairman, president National Chautauqua County Bank of Jamestown; Robert H. Treman, Ithaca, and George E. Allen, educational director of the American Institute of Banking.



ALEXANDER DUNBAR
Cashier, Exchange National, Pittsburgh, Pennsylvania



BUILDING OWNED BY THE BANK

The Wisconsin National Bank OF MILWAUKEE

CAPITAL - - - \$2,000,000
SURPLUS - - - 1,000,000

OFFICERS

L. J. PETIT, President
FRED'K KASTEN, Vice-President
HERMAN F. WOLF, 2nd Vice-President
L. C. BOURNIQUE, Cashier
WALTER KASTEN, Assistant Cashier
J. M. HAYES, Assistant Cashier
WILLIAM K. ADAMS, Auditor

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Geo. D. Van Dyke
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Charles Schriber
Clement C. Smith
Dr. Chas. E. Albright
Herman F. Wolf

Wisconsin Trust Company MILWAUKEE

CAPITAL - - - \$500,000
SURPLUS - - - 200,000

OFFICERS

OLIVER C. FULLER, President
FRED. C. BEST, Secretary
GARDNER P. STICKNEY, Vice-President
R. L. SMITH, Assistant Secretary

DIRECTORS

L. J. Petit
Herman W. Falk
Isaac D. Adler
Frederick Kasten
Charles Schriber
H. M. Thompson
R. W. Houghton
Gustave Pabst
Patrick Cudahy
Oliver C. Fuller
Gardner P. Stickney
Clement C. Smith

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

Preliminary program plans for the convention of the Wisconsin Bankers Association in Milwaukee, July 24th-25th, were announced this week by Secretary George D. Bartlett, following a meeting of the executive board in his offices. The principal speaker at the opening session will be Detective William J. Burns, head of the detective branch of the A. B. A., who will speak along the lines of his work under the general head of "The Protection of Banks Against Criminals." The afternoon of the first day will be devoted to a discussion of the mutual insurance of bank deposits, a report on which is now being prepared by a special committee appointed at the last annual meeting. The improvement of seed grains will be discussed on the morning of July 25th, followed by a reading of reports of the grain contests in eight sections of the state being conducted by the association. Principal speakers at this session will be Prof. K. L. Hatch, Wisconsin College of Agriculture; and Prof. John Munroe of the Cokapo School of Agriculture, Cokapo, Minn.

New Socialist Bank Elects Officers

Judge Richard Elsner was elected president of the new socialist institution, the Commonwealth Mutual Savings Bank, at a meeting of the directors this week. Other officials elected are: First vice-president, Emil Brode; second vice-president, Henry Campbell; secretary-treasurer, C. B. Whitnall; finance committee, Richard Elsner, Henry Campbell, Emil

Brode, Carl P. Dietz, and Edward Kluckow. Carl P. Dietz was formerly city comptroller, and C. B. Whitnall, city treasurer under the Socialist administration.

Phantom Club Has Outing

The Phantom Club, of which L. J. Petit, president of the Wisconsin National Bank and J. W. P. Lombard, president of the National Exchange Bank are members, held its annual outing at Oconomowoc Lake on Saturday and Sunday. Chief Justice John B. Winslow of the Wisconsin supreme court was elected to membership at the annual meeting which followed the outing.

Large Bond Issue

The Marshall & Ilsley Bank, Wisconsin Trust Company, First Savings and Trust Company, and Edgar Ricker & Co., are co-operating in the introduction of the Wisconsin Public Service Company, \$1,150,000 issue of first mortgage and refunding 5 per cent gold bonds on the Milwaukee market. The bonds are dated January 1, 1912, and due January 1, 1942. The Wisconsin Public Service was the Green Bay Traction Company before reorganization.

\$2,000,000 Building for Milwaukee

The largest building permit ever issued by a Milwaukee building inspector was taken out this week by the Northwestern Mutual Life Insurance Company for its \$2,200,000 building on upper Wisconsin Street near the Chicago

& Northwestern passenger depot. The building will be seven stories high and 280 by 170 feet ground measurement. The inspectors' fees alone were more than \$500 and the specifications constitute the most bulky document in the inspector's office at the present time.

Milwaukee Notes

That farmers will have to put more business into farming or business men will find it necessary to put more farming in their business was the prediction made by J. C. Murray, chairman of the crop improvement committee of the council of grain exchanges, addressing directors of the Milwaukee Chamber of Commerce this week. Mr. Murray expressed his doubt as to the efficacy of literature and lectures in teaching farmers to adopt scientific and business methods in their work.

An expert appraisal of land in the Kinnickinnic valley, will be made this week as the first step toward the installation of septic tanks and a new low level sewage disposal system for Milwaukee that, when completed, will represent an investment of several million dollars. Mayor Bading intends to make the installation of the new system the chief concern of the present administration.

Group 3 Elects Officers

The meeting of Group 3, W. B. A. at Shawano last week resulted in the election of the following officers: President, F. F. Becker, Kaukauna; vice-president, P. Schommer, Ran-



¶ This Bank, being at the logical center of Wisconsin banking activity, and having an exceptional list of State and Foreign correspondents, offers its services to conservative Banks with the assurance that such a connection will be of mutual advantage.

The First National Bank of Milwaukee

Marshall & Ilsley Bank

Milwaukee, Wisconsin

Established 1847



Capital . . . \$500,000.00
Surplus and Profits 500,000.00

Oldest Bank in the Northwest
Conservative Progressive

We take pleasure in placing our facilities at your disposal, and should be pleased to have you write us if you are contemplating opening either an active or a reserve account in Milwaukee.

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JOHN CAMPBELL, Vice-President
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G. A. RUESS, Mgr. South Side Branch
J. H. TWEEDY, Jr.
GUSTAV RUESS
J. H. PUELICHER, Cashier
H. J. PAINE, Assistant Cashier
S. H. MARSHALL
R. N. McMYNN
C. C. YAWKEY

WILLIAM J. BURNS, President. Formerly U. S. Secret Service. Late San Francisco, Cal., Graft Prosecution

RAYMOND J. BURNS, Secretary and Treasurer

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Boston
Detroit

dom Lake; secretary-treasurer, F. A. Boyd, Fond du Lac.

New Wisconsin Organizations

The incorporation of the Wisconsin Loan and Trust Company, Superior, has been authorized by Banking Commissioner A. E. Kuolt. The new enterprise has a capital of \$50,000. W. H. Webb is president, and E. S. Buchanan, secretary.

The Waterloo State Bank incorporated this week with a capital of \$30,000. John D. Johnson, Luther G. Shepard, and James H. Harger are the incorporators.

The Crivitz State Bank, Crivitz, incorporated this week with a capital of \$10,000. The incorporators are Charles Redman, G. H. Redding, J. P. Durier, Charles Gotch, H. S. Duquaine, Joseph Pozniak, J. Rollins, E. Umerham, B. P. Gould, and L. F. Hale.

THE CONTINENTAL TRUST COMPANY OF BALTIMORE

The Continental Building, a picture of which is shown on this page, was built and is owned by the Continental Trust Company. It is the tallest office building in Baltimore, and one of the most modern structures of its kind in the country, being designed by Messrs. D. H. Burnham & Co., the architects of the Chicago World's Fair. The building has a number of distinct features, including a safe deposit vault which is said to be the strongest of its kind in the world. This vault is built of harveyized nickel steel armor plate of the type used in the construction of modern battleships. The building, besides being the home of the Continental Trust Company, with its various departments, is occupied by a number of large railroad, financial, commercial and

manufacturing corporations. It is located in the heart of the financial district of Baltimore and is one of the show places of the city.

Identified with the Continental Trust Company are some of the best known business people in Baltimore. This company has been active in the development of the South. It has a capital of \$1,350,000 and surplus and undi-

vided profits of \$2,400,000, and is one of the strongest financial institutions south of New York. The president of the company is S. Davies Warfield. The banking department of the company is in charge of the treasurer, F. C. Dreyer, who received his training in two of the leading national banks in Baltimore. The assistant treasurer, Maurice H. Grape, is also a national bank man.

CHICAGO CHAPTER WINS DEBATE By CRAIK MILLS.

As a result of a debate between Chicago Chapter of the American Institute of Banking and the Booster's Club of the Bloomington, Illinois, Y. M. C. A., Chicago has added another bay-leaf to its crown. John W. Gorby of the People's Trust and Savings Bank, and J. H. Ashley of the Corn Exchange National Bank supported the affirmative of the question: "Resolved: That the Adoption of the Proposed National Reserve Association Plan will be for the best interests of the United States," while Joseph Boehmer of Bloomington assumed the negative.

The debate was the program feature of a banquet given by the Bloomington Y. M. C. A., Friday evening, June the 14th. About one hundred and twenty-five of the representative men of Illinois' fairest city were in attendance, and all seemed to enjoy the discussion thoroughly. The debate was won by Chicago Chapter. A word of praise, however, must be given to Mr. Boehmer, whose colleague, Mr. Carl Vrooman, was unfortunately called to England a few days before the debate, thus throwing upon the shoulders of this most efficient gentleman, a double burden. Messrs. Gorby and Ashley report that in the line of entertainment, the citizens of Bloomington cannot be excelled.



CONTINENTAL TRUST COMPANY BUILDING
Baltimore, Maryland



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

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FRANK O. HICKS, Vice-President

EPHRON CATLIN, Vice-President
J. S. CALFEE, Cashier

WALKER HILL, President

G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, June 20.—St. Louis bankers declare that rarely has there been such a long stretch of time bringing so few developments in the money market as at present. Apathy exists among all borrowers, and the hand to mouth policy of merchants continues, so that, as one banker put it, the hand must be growing weary of the monotonous motion. Politics this week furnished some diversion, but only diversion, as there was no perceptible hardening nor softening in rates, and the demand for credits failed to show change. General business seems to be waiting, without exactly knowing what for. No one can point out anything in the horizon which looks particularly bad, but the waiting feeling cannot be overcome. It is believed that with the conventions out of the way, regardless of their results specifically, things will become more settled. One banker said: "We find all things healthy. Crop prospects are good, the people have money, there are not many idle workmen and otherwise conditions are bright, but activity seems to lack the needed momentum and confidence to become acute. There is a good routine business, and certain lines have been so long dormant that they simply have to wake up, and are doing it, but the spark is still lacking to set off the train of real prosperity. In St. Louis collections are good, and clearings are running well over a year ago, and when the awakening does come, we will be the first affected by the dawn. Banks here are clothed with ample reserves and are otherwise equipped to meet most urgent needs. I fully believe the next three months will bring great things."

Railroads Beginning to Buy

One hopeful spot is the movement to buy among the railroads. This is shown in many ways. Operations of the plants of the American Car and Foundry Company in St. Louis, St. Charles and elsewhere, are now being carried on at about 75 per cent of their full capacities. Orders are large, and there is much new business coming in every day. The roads are only waiting for greater certainty relative to crop prospects to cut loose some of the huskiest orders placed in many years. Since the first of the month the railroads have appeared as borrowers in local banks.

Movement to Aid Farmers.

The agricultural committee of the Missouri Bankers Association, appointed at the Joplin convention, is beginning to bestir itself in a right active manner. Plans are being formulated to encourage scientific and intensive farming in Missouri. Among other things it is proposed to offer cash prizes to farmers with the greatest yields of certain products on an

acre of ground. The work of the Missouri bankers is being promulgated by W. C. Gordon, of the Farmers State Bank of Marshall; W. S. Wells, Platte City Bank of Platte City and Sam E. Trimble, Union National of Springfield. The committee is assisted by the officers of the state association, and data is now being gathered, both in Missouri and other states, to use in the work. An active campaign for scientific farming will be launched at the various group meetings in September and October, and it is hoped the plan will be available for farmers for the 1913 crops.

German Savings Disappointed.

Refusal at the last minute of Mrs. Minna Gehner to sign the final papers, caused the collapse of the deal by which the German Savings Institution hoped to secure the southeast corner of Broadway and Pine street for the erection of a modern banking building. Negotiations are under way now to lease the corner diagonally opposite the site abandoned. The plans of the German-Savings Institution for building contemplate a one-story and mezzanine floor structure of white marble, and up-to-date in every detail.

Mercantile Gets Certificates.

George L. Sands, Jesse McDonald and W. S. Holt, receivers for the Missouri and North Arkansas Railroad, have issued \$1,250,000 of receivers certificates, authorized by the Federal court, to be used in securing funds to meet expenses of the road. A bid from the Mercantile Trust Company of St. Louis of 99 cents on the dollar for the certificates was accepted and approved by the court.

American Bankers Assurance

There are more and more vicissitudes and rough sledding for the American Bankers Assurance Company. Advices from Wilmington, Del., state that a lengthy report has been filed in the court of chancery against that corporation. This concern, chartered under the laws of

Delaware with \$10,000,000, capitalization, \$600,000 of which was paid in, will have to retire from business if the chancellor sustains the report. The report was made by C. L. Ward, the master, and is the concluding chapter of sensational litigation between the Landon and Christensen factions for control. The trouble started a year ago when at the request of the insurance and banking commissioner of Delaware, a bill was filed asking for the appointment of a receiver. The last report is on a bill of the attorney-general asking for a permanent receiver. The master recommends that the insurance business of the company, it insured bank deposits, be closed by means of perpetual injunction. He declares that the concern has been fraudulently conducted, that its assets are insufficient to carry on business and that its condition renders further proceedings hazardous to policy holders and the public.

Actual Assets Insignificant

The master places the actual assets at \$182,000 and actual liabilities at \$41,595. Twenty-five thousand dollars of the assets are held by the state treasurer of Idaho. The master tells about transactions of the company with the Federal Trust Company and the Federal Union Security Company of St. Louis and the erstwhile Planters Bank. A deal with the Missouri Farm Colonies, identified with the Federal Trust Company, is criticised and the conclusion is reached that it placed the assurance company in a hazardous condition. The discharge of the receiver pendente lite is recommended by the master. He urges that the assets held by the insurance department of Delaware be restored to the concern, after bonds, for which the company is liable, are protected. The report covers some 100 pages, and goes into matters most thoroughly.

New Trust Company for Memphis

Advices from Memphis, Tenn., state that application for a charter for the Citizens Bank and Trust Company has been filed in the office of the county register. The capital stock is placed at \$250,000. The incorporators are J. H. Creath, William Pritchard, J. M. Toohey, W. R. Cross, W. I. Moody and James Stark.

Kobusch Case to Referee

Jesse McDonald has been appointed as referee to try the suit of George Kobusch to recover \$300,000 from the Mississippi Valley Trust Company. A regular trial was commenced before Judge Muench and a jury, but after it had progressed about an hour, the judge wisely decided that it was far too complicated an action to put up to any twelve laymen. He said no jury could carry the enormous

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The National Stock Yards National Bank
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(Chicago & Eastern Illinois R. R.)

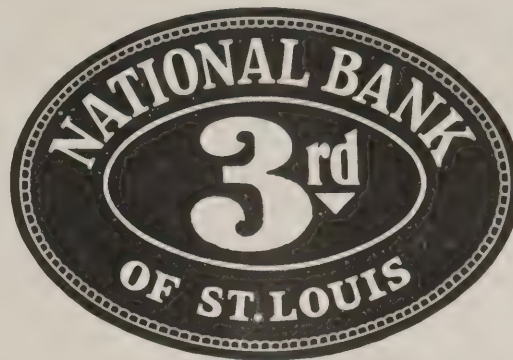
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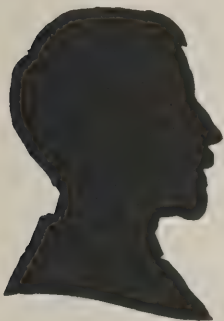
CAPITAL
\$2,000,000

SURPLUS
\$2,000,000

DEPOSITS
\$35,000,000

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G. W. GALBREATH - - Vice-President
J. R. COOKE - - - Cashier
D'A. P. COOKE - - Assistant Cashier

T. WRIGHT - - - Vice-President
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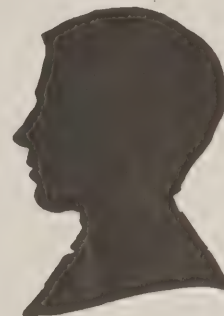
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mass of figures in their heads, and come to an intelligent verdict. Attorneys for Kobusch objected, saying the question was simply one of usury, and the testimony would bring out the facts clearly. Both sides, however, were pleased with the selection of Mr. McDonald.

Little Rock Gets New Bank

The Central Bank and Trust Company of Little Rock, Arkansas, opened for business this week. It has an authorized capital of \$100,000, of which \$25,000 has been paid in. The officers of the institution are Ben D. Schaad, president; Thomas W. Mattingley, vice-president; M. C. Martin, cashier; John E. Dorough, assistant cashier, and Fred A. Snodgrass. The directors are the above officers and Dr. W. A. Snodgrass, Herbert S. Turner, G. R. Gray, Surry Wood and Otto Weidman.

Commonwealth Trust in New Quarters

The Commonwealth Trust has settled in its temporary quarters at Broadway and Locust Street. Under a heavy guard of plain clothes policemen, the assets were moved from the old building, which is soon to be razed to make room for a new eighteen-story structure.

BANK FOR TOWN 133 YEARS OLD

St. Louis, Mo. June 18.—Portage des Sioux, the oldest town in Missouri with the exception of Ste. Genevieve is to have a bank for the first time in its history. The town is on the Mississippi River eight miles above Alton, and was founded by the French in 1779. It has a population of 500. The bank is being organized by a local banking company with a capital of \$10,000, 80 per cent of which has been subscribed by the residents of Portage des Sioux.

CONNECTICUT BANKERS CONVENTION

The Connecticut Bankers Association held their thirteenth annual convention at The Griswold, Eastern Point, New London, June 18th and 19th. President Joseph H. King presided at the opening meeting and delivered the address of welcome. Addresses were then delivered by the Rev. Chas Francis Carter, John

Kendrick Bangs, and Frederick I. Kent of the Bankers Trust, New York. The second day's session was given up mainly to a discussion of the currency plan of the monetary commission. President Joseph H. King delivered his annual address, after which the secretary and treasurer reported. On Tuesday evening a banquet was served to the delegates and their guests in the dining room of the Griswold. After the business session on Wednesday the visiting bankers and their friends were given a sail on the Sound in a large steamer, returning to the station in time to take the afternoon train west.

THE COMMERCE COURT

The agitation recently started in congress demanding the abolishment of the commerce court seems to have been the result of a mistaken idea that the court originally was intended and had become a weapon of the railroads against the shippers. No doubt if the first few cases to come before the court had been decided in favor of the shippers this impression would not have prevailed. The supreme court of the United States has decided that the commerce court has exactly the same functions as has a United States circuit court, thereby leaving the shippers and the railroads in the same position as they were in before the creation of the new court. There is no doubt but what a commerce court is needed, to which appeals may be taken from the orders of the commerce commission, as the same conditions which were instrumental in the establishment of such a court originally still exist, viz., the great mass of rate litigation, and the crowded condition of the federal court calendars.



CHARLES E. HOYT
South Norwalk

Secretary Connecticut Bankers Association

Editorial Comment

ON HELPING THE FARMER

In his talk to the New York bankers at Buffalo, President W. C. Brown of the New York Central Lines, himself a practical farmer, gave valuable advice on how to increase the crop yield. President Brown went into the matter scientifically, and compared the figures for acreage and crop output in our principal cereals with similar statistics from foreign countries, much to our own disadvantage. The argument, which he based upon these figures went to show that the growth of the population has been so great that the price of corn and wheat has advanced in this country 80 per cent, while the crop products have increased only from 23 to 36 per cent. A part of this disadvantage in the way of prices to the consumer Mr. Brown attributed to the increased gold output, and advised the bankers that if they believe in protection, and have profited by it they might see future benefit in restricting the gold production. This idea was furnished by the speaker to the bankers for their future consideration. Comparing the average yield per acre during the ten years ending in 1910 with the previous ten-year period, Mr. Brown showed an increase of only 8 per cent in the average yield per acre in the United States. This he contrasted with 14 per cent in Russia and Sweden, 19 per cent in the Netherlands, and 23 per cent in Germany. As a reminder he prescribed a systematic and persevering campaign of education, and declared it to be his belief that the situation now for the first time is in proper hands, since it has been taken up by the bankers. As a practical farmer, President Brown urged greater care in the selection of seed, scientific drainage, more intelligent fertilization and thorough cultivation. He believes that these things when done will increase the average yield per acre very largely, and possibly may double it. He told how railroads in both the East and West are co-operating with the state agricultural colleges and other institutions and how almost every railroad now has its department of agriculture, running trains and arranging meetings for farmers in country villages and country school houses. On these trains, and at these meetings the railroads and departmental men are preaching the great gospel of better methods, and more profitable farming. He endorsed the work which now is being done by the general government, and hopes to see the time when each state will be co-operating, and when every board of trade, chamber of commerce and bankers association will be organized and equipped for the work. President Brown thinks that for too long a period the country boy has been led to believe that the farmer's work is unimportant and unprofitable. First of all he believes that the youth of the country districts should be taught that farming is an important occupation, and that with education and scientific efforts it can be made

The Chicago Banker

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

profitable. He told the bankers what they already knew, that the farm loan is about the best loan they can carry on their books, and that it is money for the bank and the community to carry it at a low rate. He closed by urging farm drainage, fertilization, seed inspection and cultivation as certain to double the prosperity of any community, and to increase its bank deposits. He believes that the most important feature of the work to be done is the personal counsel and advice from those who understand the question, and who have the confidence of the farmer. Again he declared that the banker is more admirably situated and equipped for the position of stimulating better agricultural and better educational provisions than any other class of men. He said that he could not conceive of any higher duty, any truer patriotism nor any more far-reaching philosophy than for the banker to take part in this vitally important work.

NEW SURROUNDINGS FOR MR. WATTS

Scarcely had the announcement been received that Frank O. Watts, ex-president of the American Bankers Association and president of the First National at Nashville, had accepted the vice-presidency of the Third National Bank at St. Louis than it also was made known that the progressive Fourth National at Nashville would take over all that was left of the First National after Mr. Watts had withdrawn. This will give Nashville, a natural financial and manufacturing center of a large district, a bank fully equipped, and equal to its demands. The elimination of such a potential factor as Mr. Watts otherwise would have left a very large vacancy to be filled in the capital city of Tennessee. In St. Louis Mr. Watts will have very much enlarged opportunities, and those who know him best expect him to fully demonstrate that President Huttig has chosen wisely in selecting a new assistant to carry on and develop his influential and powerful banking institution. Mr. Watts is one of the youngest men, who have reached the presidency of the American Bankers Association, and during his process through the chairs he made hosts of friends, who will have many opportunities of showing their confidence in him in his new location. St. Louis is a central re-

serve city, and her bankers profit largely by her splendid banking reputation. The wide acquaintance of Mr. Watts will assist very materially in bringing still larger balances to that point from a section of the country which, heretofore, has been considered as tributary in part to New York and Chicago.

THE CHICAGO CLEARING HOUSE

Among similar organizations in all of the leading cities the Chicago Clearing House stands out prominently as the original advocate of clearing house inspection and examination. Two-thirds of all the cities have followed her lead in this important matter. Another advance step has been taken by this famous organization in taking a position favorable to the investigation now being conducted by the congressional committee on currency and banking. While clearing houses of other cities and leading bankers from various points were hurling defiance at the Pujo committee, the Chicago organization met and decided to answer as fully as possible the inquiries sent out from Washington. This has had a very pacific effect upon the general situation. During the heat of a political canvass when political demagogues are attempting to stir up their followers it is easy to create public sentiment against the leading banking institutions of the country. This particularly is true as far as banking is represented in the phrase known as "Wall Street," and the result of the hearings in New York was not entirely favorable to banking as conducted at that point. Now comes the Chicago Clearing House with unanimous decision to comply with the request of the committee and to forward a series of answers to the questions recently received. At the same time the committee designated President George M. Reynolds of the Continental and Commercial National to act as its official representative before the Pujo committee in the event that that committee requests someone to appear before it representing the Chicago banks. The clearing house committee decided to answer as fully as may be possible all of the questions propounded. It is not known at present when the Chicago hearings may begin—probably not until after the summer vacation, which it is expected the committee shortly will decide upon. It is understood that the principal attorney for the committee and several of its members had arranged for summer trips to Europe, which will not be interfered with. An additional reason for postponing the hearings is that the testimony taken may not be made available for campaign purposes by either of the parties seeking issues to create public sentiment in its favor. Bankers everywhere must feel proud of the decision of the Chicago Clearing House to meet every possible legitimate inquiry which may be made



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

is organized and equipped to give to its customers and correspondents the best banking service obtainable. ☛ Being the largest bank in its territory the Northwestern is able to offer, through its many connections, unexcelled facilities, while its office organization is designed to give to every patron's affairs the individual care and attention which they may require. ☛ Visitors and prospective customers are invited to call upon the management, who will extend to them every courtesy.

Capital and Surplus, \$5,000,000.00

AFFILIATED WITH

The Minnesota Loan and Trust Company

by congress, with fair and open replies, and to send representative bankers instead of employees of the clearing house before the committee to answer its questions.

INDIANA GROUP MEETINGS

C. Frank Spearin, secretary of the Gary Bond and Mortgage Company, and formerly of the Corn Exchange National of Chicago, was one of the Gary crowd who helped to give the bankers a good time at their group meeting held in that city on Thursday last. The meeting of Group 3 at Hartford City on Friday, June 14th, was a great success. Farmer A. G. Lupton and the citizens of Hartford City provided automobiles and the entire party was transported to the Lupton pony farm. A splendid dinner was served under the trees, after which Prof. Skinner, of Purdue University, and Dick Miller, of Indianapolis, orated. By the time the audience was turned over to William G. Edens, of Chicago, a rain storm broke loose and the crowd repaired to the pony stables. Mr. Edens said it was an appropriate place to finish his speech, as he intended to talk on agricultural subjects any way. Everybody present voted Mr. and Mrs. Lupton most genial hosts and adopted resolutions of sincere thanks. The meeting of Group 2 at Gary afforded an opportunity for those in attendance to be shown through the steel mills. General Manager Gleason provided a special train and everybody had a chance to see these wonderful works. A bucket of ore automatically taken from a lake steamer was followed by the crowd until it came out at the rail mills a perfect "T" rail. It was tag day in Gary and not a visitor escaped. It is said that some of the Indianapolis boys were tagged several times by one good looking young lady.

NAPPANEE, IND., BOOMER

Harvey E. Coppes, cashier of the Farmers and Traders Bank, Nappanee, Indiana, called on Chicago banking acquaintances the past week. Mr. Coppes, who also is connected with Coppes, Zook & Mutschler Company of that city, is enthusiastic in his description of Nappanee as a growing business center. Coppes, Zook & Mutschler Company are manufacturers of furniture, and run in connection with their business a flour mill and a saw mill. They employ four hundred people, and their factories are running full time. They turn out from three hundred to five hundred barrels of flour a day.

JAMES M. HURST ON SICK LIST

Jas. M. Hurst, assistant cashier of the National Bank of the Republic of Chicago, has been on the sick list for a few days. Mr. Hurst expects to be back at his place in the bank shortly.

FRED I. KENT BEFORE CONNECTICUT BANKERS

Fred I. Kent, vice-president of the Bankers Trust Company of New York, delivered an address this week before the Connecticut bankers, his topic being "Some Phases of Banking." In discussing matters immediately following the panic of 1907 Mr. Kent said:

"Then a monetary commission was appointed by congress with instructions to study the banking systems of the world, to study our own financial history and to formulate a plan, if possible, that would prevent a recurrence of a similar panic. This commission went to work intelligently. It consulted the best known and most successful bankers in the world. It worked with the great students of finance as well. It compiled all banking and currency statistics that seemed pertinent. It caused to be printed and widely distributed throughout the country all of the information gathered. It then drew up a plan based on the findings of the commission and submitted it to bankers and business men all over the United States. After discussion this plan was changed here and there to meet the opinions of the majority of practical men who had been studying it from all points of view. Then, and not until then, was it submitted to our congress in the form of a bill and a recommendation. Did congress pass it? No! Did congress even consider it? No! What did congress do? It passed a purely political measure ordering an investigation of the banking business of the country, presumably to obtain information on which to base legislation when the monetary commission, also a creation of congress, had just made a report covering the whole matter after having spent years of hard work and much of the people's money. Now

why should congress ignore the report of a commission which conscientiously and intelligently had obtained the information asked of it, even though it had been done quietly and without inconvenience to business, and then demanded the same information of another committee under instructions which make possible and probable injustice to many and satisfaction to none? The answer is, of course, politics. It is so called by the newspapers of both great parties, by the orators of every political belief, by the business men and by the politicians. We have mental pictures of the men in our legislative halls brought forth by such actions as have just been described, in which we see them with their ears to the ground listening to the votes of the people at home, but is not this just what the people wish, and is not the real trouble with the public itself? Have not the people allowed themselves to be misled by accepting without proof miscellaneous statements of writers and speakers, whose only object is to play upon the feelings of the people for profit, instead of endeavoring to analyze intelligently what they read and hear without allowing envy and jealousy to guide their thought? Every banker is of the people, and it is our duty, not alone to ourselves, but to the community, to stand up for the right in our institutions and demand recognition of principles which our natural training peculiarly fits us to understand. If we stand by and allow the muckraker and demagogue to go on his way unanswered, scattering discontent and dishonesty, we must expect to suffer from our negligence, but if we do our part toward counteracting the vicious influences which have been fostered, the public soon will come to realize that in matters of credit it requires the advice of those trained in its use, and the recommendations of the bankers of the United States then will be accepted by our lawmakers, because they will realize that the people will profit through their acceptance and will demand that they be given recognition."

BRANDT C. DOWNEY HAS RESIGNED

Cashier Brandt C. Downey has resigned from Continental National staff, Indianapolis, and his assistant, A. H. Taylor, was promoted. Mr. Downey remains as a director. Future plans of Mr. Downey, not announced.

BANKER DELEGATES FROM HAWAII.

John T. Moir and Carl S. Carlsmith, who are delegates to the republican national convention from Hawaii, are in the banking business. Mr. Moir is vice president and Mr. Carlsmith is director and attorney of the First Bank of Hilo, Ltd.



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\$2,000,000.00**

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For over half a century we have withstood every financial crisis that has befallen the Nation, including the period of the Civil War. ☛ Your account carried on the books of a solid, conservative bank adds prestige to your name. ☛ Correspondence and interviews solicited.

WE CAN SERVE YOU WELL

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C. R. LAWS	Assistant Cashier

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JAS. T. BRADLEY, Cashier

CHAS. M. VINING, Assistant Cashier
W. H. GLASKIN, Assistant Cashier
JAS. F. MEADE, Assistant Cashier

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R. S. BRITTAIN, Asst. Cashier
R. N. RIDGE - Auditor

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We solicit your business and
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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

The executive committee of the Kansas State Bankers Association met in the office of the bank commissioner in Topeka last week. This was the first meeting of the officers since the state convention of the association in Wichita last April. The president, in introducing the business of the day, requested each member present to respond to roll call by giving an account of conditions in his locality both agricultural and financial. It was the unanimous expression that business in the state was in a flourishing condition. The main business of the meeting was then taken up with a discussion of bank co-operation with agricultural interests looking to a better and greater crop production, and a committee of nine was appointed with Otto H. Wulfekuhler as chairman to discuss ways and means for carrying out the desires of the association. The publicity committee was instructed to have printed and distributed some addresses of particular interest at this time on national financial legislation.

Elect Officers

The National Currency Association of Kansas City and St. Joseph, Mo., which was organized in 1908 under the Aldrich-Vreeland act, met in Kansas City at the New England National last week and elected officers for the ensuing year. The association was formed following the panic of 1907, the object being to borrow money from the government on collateral and commercial paper. Thus far no members of the association have been forced to this extreme. The officers elected were: President, J. F. Downing, Kansas City; vice-president, Graham G. Lacy, St. Joseph; secretary, Jerome Thralls. The following are directors: J. F. Downing, G. G. Lacy, R. T. Forbes, P. W. Goebel, George S. Hovey, C. S. Jobes, F. P. Neal, J. W. Perry.

Arrange for Trains to A. B. A. Convention

Bankers composing the joint committee of the Missouri and Kansas State Bankers Association met in Kansas City last week to arrange for official trains to carry the members of the two associations to the meeting of the National Bankers Association at Detroit, September 9th to 14th. It was arranged that bankers from Kansas and the western half of Missouri will use a special train over the Santa

Fé, while bankers from eastern Missouri will leave St. Louis over the Wabash.

Central West Notes

The Commerce Trust Company of Kansas City has just closed two big financial deals, one at Waco, and the other at Austin, Texas, in which bonds of the two cities aggregating \$1,170,000 were purchased at par value. J. Z. Miller, vice-president of the Commerce Trust Company, who is a native Texan, negotiated the deals in person, assisted by Gerald Parker, assistant manager of the bond department of the Commerce Trust Company.

E. F. Swinney, president of the First National Bank of Kansas City, vice-president of the Chicago and Alton Railway, went to Richmond, Va., last week where he delivered an address to the graduating class of the Virginia Polytechnic Institute on suggestions for business success. Mr. Swinney graduated from that institution in 1876 and started out practically penniless to make his fortune in the west. He returned the other day to Richmond in his private car.

Officers and directors of the Nebraska Bankers Association met in Omaha last week to discuss the fall meeting of the association which will be held in Omaha probably in September, the exact date to be decided upon later.

The St. Joseph, Mo., Commerce Club spent last week on a trade trip in the territory adjacent to that city in Kansas and Nebraska. R. T. Forbes, president of the Commerce Club, Judge W. K. James and B. R. Martin were spokesmen for the party. The following bankers were among the boosters: John Broadus, German American National Bank; S. C. Cook, First National; R. T. Forbes, First National; J. A. Greenfield, Stockyards Bank; B. R. D. Lacy, Tootle-Lemon National; Walter L. McLucas, Merchants Bank.

St. Joseph, Mo., is preparing to vote on a \$1,000,000 bond issue for roads and other public improvements. It is likely that the offering will be made on a basis of 3½ per cent.

J. S. Corley, who recently sold his controlling interest in the State Savings Bank of Wichita, Kas., has purchased stock in the Bank of Nevada at Nevada, Mo., and has been elected president of the latter institution. Mr.

Corley was in the banking business in Wichita for seven years and built up the State Savings Bank from a small concern to one of the strongest state banks in that city. He has been identified with several banks in Texas and Oklahoma and before going to Wichita for several years he was president of the City National Bank of Kansas City.

One million dollars in receivers' certificates will be sold within the next few days by the receivers of the Kansas City, Mexico and Orient Railroad. This issue follows a similar one of a million and a half dollars issued several weeks ago.

The Bank of Huntsville, Huntsville, Ark., was robbed the night of June 14 by a band of four cracksmen who escaped with booty said to amount to \$14,000. Officers who pursued the band followed a clue which led to the northwest corner of the state and it is supposed that the robbers made their escape into the mountains of eastern Oklahoma.

Dallas, Fort Worth, Houston and Brenham banks have agreed to advance about half of the money required to rebuild the burned buildings of the Agricultural and Mechanical College recently destroyed by fire at College Station, Texas. About \$250,000 will be required.

Topeka, Kan., investors did not quite succeed in equaling the record of the French peasants who subscribed \$3,280,000,000 for an issue of \$41,000,000. But the Topeka investors did subscribe \$170,000 for an issue of \$149,000 and all the proceeds will stay right in Topeka.

The Missouri banks which hold the state's funds have a larger aggregate at this time than ever in the history of the state since the bonded debt was wiped out. According to the report of the state treasurer, the state had to its credit June 1st a little more than \$4,500,000. The distribution of school money in August will be the largest in the history of the state, \$1,800,000 being available for this purpose.

The building formerly occupied by the National Bank of the Republic at 10th and Walnut streets, Kansas City, Mo., has been razed to make room for the skyscraper which the bank is to occupy as soon as constructed. When completed the new building will be one of the handsomest financial homes in the city.

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AUGUST BELMONT
 August Belmont & Co.
AUGUST BELMONT, Jr.
 August Belmont & Co.
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 Pres. Alberene Stone Co.
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DESMOND DUNNE
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Capital and Surplus
\$3,000,000

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FR'D K'D. UNDERWOOD
 Pres. Erie Railroad Co.
JOHN D. VERMEULE
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 Pres. U. S. Finishing Co.

LOUIS G. KAUFMAN, President
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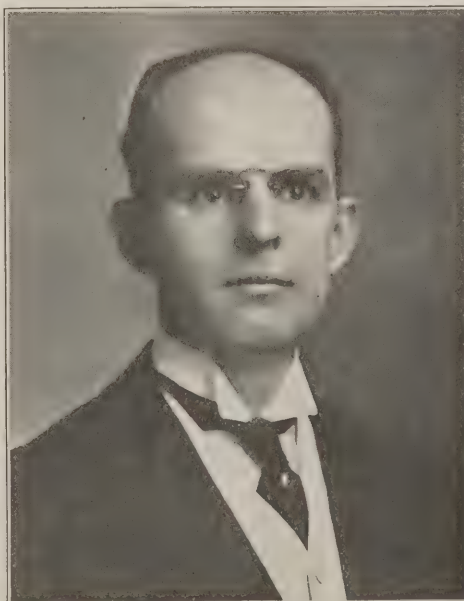
OREGON CONVENTION

The seventh annual convention of the Oregon Bankers Association opened yesterday, and the last session is to be held to-day. Headquarters were at the Gearhart Park Hotel. The sessions, however, were held in the Auditorium, which is but a few minutes' walk from the hotel. An excellent program had been provided, among those who were to talk at the convention being the following: John Perrin, chairman of the board of directors of the Fletcher American National of Indianapolis on "The Sound Money Question;" E. W. Wilson, of the International Banking Company of San Francisco, on "International Banking and Trade;" George N. O'Brien, of the American National of San Francisco, on "The Panama Canal and its Relations to the Business Interests of the Northwest;" Prof. Kerr, of the Agricultural College of Corvallis; Prof. Alderman, superintendent of public instruction, on "Industrial Education;" and George P. Edwards of San Francisco, who talked on territorial development as contemporaneous with banking development. A great portion of the convention was given over to the discussion of agricultural subjects.

GROUP 8, INDIANA

Group 8 of the Indiana Bankers Association held a very successful meeting at Princeton, Indiana, June 7th (Friday). At one o'clock a special train took the visitors and delegates on an inspection tour through the Southern Railway shops. The party was under the personal supervision of G. W. Brown, superintendent, and G. N. Howson, master mechanic. These two gentlemen exerted themselves and succeeded admirably in showing the visitors a most delightful trip through the

extensive plant of the Southern Railroad at Princeton. The special train then took the delegation to the Fair Grounds, where the meeting was opened by Chairman J. L. Bayard, Jr., of Vincennes. A most interesting program was given by W. G. Edens of Chicago, Prof. Scott of the University of Wisconsin, Dick Miller of Indianapolis, and Prof. Christy of Purdue University. The meeting elected the following as officers for the ensuing year: Chairman, S. T. Fisher, cashier Peoples National, Princeton; Secre-



WALTER SCOTT
 Farmville
 Secretary Virginia Bankers Association

tary, C. B. Enlow, cashier City National, Evansville. The delegates were then returned to Princeton, where a banquet was served in the Elks' Club rooms, after which a pleasant evening was spent in stories and songs. A great deal of enthusiasm prevailed at the meeting and the bankers returned to their homes after spending a most delightful and profitable day at Princeton. Great credit for the success of the meeting is due Mr. Fisher, secretary of the group, with the able assistance of the other bankers and business men of Princeton, together with the officials of the Southern Railway Company, who donated the special train for the use of the bankers.

ROMANCE OF A STATE SECRET

Dana, Estes & Co., of Boston, has issued a new book by W. Trafford-Taunton, author of many fine novels, including "The Silent Dominion," "The Threshold," and "Igdrasis." This latest work of Trafford-Taunton is a historical romance of the time of Charles II, replete with excitement and of absorbing interest. The principal character is the handsome and clever, if dissolute, Earl of Rochester; the heroine, the beautiful Elizabeth Malet. The story is chiefly concerned with the appearance in England of a son of the king, said to have been born of a lawful wife—married during his exile—many semi-authentic accounts exist of such a union. That the young heir should come to England but to fall in love with Rochester's sweetheart, and that the succession to the throne should depend upon Elizabeth Malet's love, is the theme of this charming tale, written with dramatic force, and will not fail to hold the reader's attention to the end.

The book is beautifully bound in purple and gold and sells at \$1.25.

TEN YEARS' PROGRESS

In the Surplus and Deposits of the

Security National Bank Of Minneapolis

Surplus and Profits

1902, \$ 160,000
1912, 2,100,000

Deposits

1902, \$8,000,000
1912, 20,000,000

INDIVIDUAL GROWTH—NOT CONSOLIDATION

American National Bank ST. PAUL, MINN.

Capital - \$200,000
Surplus and Profits 100,000

OFFICERS

BEN BAER, President

CHAS. H. F. SMITH, Vice-President

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P. A. F. SMITH, Assistant Cashier

This bank is well equipped to handle your St. Paul business and promises careful, efficient and satisfactory service

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SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

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Direct Connections
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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Comments on the Minnesota convention are made by a leading banker, as follows: "Certainly the most enjoyable and interesting meeting the association has held since I began to attend," said Joseph Chapman, Jr. "The courtesies shown us by the agricultural college faculty, the evident care that has been shown in affording us accommodations at the dining hall and in the dormitories, and the way in which exhibits of agricultural interest have been set up, has won from every delegate a well-earned thanks. The work of the college, and the efficiency and enthusiasm of its faculty has impressed every one of us. Up to this time, many of the delegates did not realize the immensity of this great state institution."

Edward J. Gallien, of New York, on Good Roads

Edward J. Gallien, Irving National Exchange bank, New York, had something to say before the convention about good roads. He remarked that: "As a result of the movement to build better roads, scores of farms in Pennsylvania and other states where hills are numerous, that had been abandoned because of lack of thoroughfares to markets, have been re-occupied within the last few years. Farmers can now have three times as much produce hauled to market and the result is that vegetables and fruits can be had at much less than formerly."

Visitors at Convention

Some outside bankers at the state convention were: C. C. Albeck, of the National City bank, and Edward J. Gallien, of the Irving National, New York; C. W. Rowley, of the Canadian Bank of Commerce, Winnipeg; E. J. Hughes, First National, Milwaukee; W. F.

Rowe, Drovers Deposit National; R. F. Newhall, First National; J. R. Washburn, Continental and Commercial National; Henry Meyer and S. P. Johnson, National City, and W. W. Gates, Central Trust Company, Chicago. In the later arrivals were T. F. Newcomer, Fort Dearborn National; N. M. Hanson, Merchants Loan & Trust Co.; R. G. Danero, Continental and Commercial National; and Henry D. House, of Allen, Green & King, Chicago.

Montana and North Dakota Crops Good.

"Good rains and good crops in Montana and North Dakota promise an active fall business," said R. S. MacGregor, assistant cashier of the Northwestern National bank, on his return from the western country, where crop observers go to see how the grain stands. Mr. MacGregor said that Montana looks especially good. J. E. Phelan, president of the First National bank of Bowman, N. D., in Minneapolis, reports that in the vicinity of Bowman both the grain crop and pasturage conditions are excellent.

Do Not Want Supervision

In the opinion of Kelsey S. Chase, Minnesota state superintendent of banks, an effort is being made by certain real estate and investment companies to discredit the efforts of the department to carry out the law passed in 1911 for supervision of these concerns.

This law gives Mr. Chase authority to examine into the accounts and investments of investment companies in much the same way that his department supervises the business of banks. Certain companies, he said, were anxious to be placed under the jurisdiction of the state bank examiner, intending to use his

department for advertising purposes, but when they found it put certain restrictions upon their methods of doing business they wanted to throw off the yoke.

N. F. Hawley Entertains Dr. Shaw.

N. F. Hawley, treasurer of the Farmers & Mechanics Savings Bank, was host to the Saturday Club at his Lake Minnetonka home last week in honor of Dr. Albert Shaw, editor of the Review of Reviews. Dr. Shaw was formerly a member of the organization, now succeeded by the Six O'clock Club. He was a bachelor then and "handsome". One of the effusions read at Mr. Hawley's party was a valentine sent years ago to Dr. Shaw by the women of the club.

Soil Survey by Townships

To study ways and means for obtaining a reconnaissance soil survey for Minnesota by townships, half to be paid by the state and half by the national geological survey, representatives of several state organizations met last week at the Minneapolis Commercial Club. Joseph Chapman, Jr., and J. W. Wheeler represented the bankers. A. G. Wedge, Jr., also a banker, from Bemidji, represented the Northern Minnesota Development Association. It was decided to get a bill through the next legislature, if possible, covering the exigency and providing the appropriation. The state university will assist.

Minnesota Chamber of Commerce Seats High

Seats in the Minneapolis Chamber of Commerce, grain headquarters, have reached \$4.025. The \$25 was costs. This is a high price. The seat was bought by F. J. Seidl from I. L. Corse. The chamber considers buy-

ing the floating memberships to establish a fixed value of \$5,000. An annual assessment of \$30 is proposed to go into a special investment fund with the proceeds of sales of memberships.

Take First Certificate Under New Law.

The Minnesota Loan & Trust Company and the Wells & Dickey Company took the first certificates issued under the new Elwell state law permitting improvements at once by the sale of 15-year certificates, or in the case of counties, ten-year bonds. The bonds amounted to \$123,349.77. The interest is 5 per cent, and the money goes to the park board to open a mall along the Pacific coast line of the C. M. & St. P. road in the city limits.

Play Golf

The Chicago Industrial Club, including several bankers, visited Minneapolis two days last week and studied the golf situation from the Minikahda and Lafayette club links. Several bank directors were in the entertainment committee and the following officers: President F. A. Chamberlain, of the Security National; Vice-President M. B. Koon, of the Northwestern National; President E. W. Decker, of the Northwestern; Vice-President C. T. Jaffray, of the First National.

Minneapolis Trust Company.

The Minneapolis Trust Company cannot be assessed as a banking corporation according to a decision by Judge H. D. Dickinson in district court. It can be taxed only as a trust company, according to the moneys and credits system. This decision means about \$15,000 less to the county in taxes. An appeal will be taken.

MARYLAND BANKERS AT BLUE MOUNTAIN HOUSE

Blue Mountain, Md., June 20.—Delegates and members of the Maryland Bankers Association have convened here to-day for their seventeenth annual convention. The program is of unusual interest and includes such speakers as Dr. A. C. True of Washington, on "Agricultural Education;" C. Baker Clotworthy of Baltimore; Hon. Wm. J. Fowler, deputy comptroller of the currency, on "Payment of Interest on Deposits," and Hon. Charles A. Korbly, member of congress from Indiana, an orator of considerable renown. President Waldo Newcomer presided. Among the entertainment features will be a trip by trolley over the mountains to Hagerstown, and the annual banquet Saturday evening at which Omer F. Hershey of Baltimore will be toastmaster. Mr. and Mrs. Hobart Smock will entertain the visitors and their friends.

NATIONAL CITY BANK CENTENARY

New York, June 17.—The National City Bank was 100 years old yesterday. To celebrate the occasion the City Bank Club held its annual outing to-day at Beechwood, the Scarborough home of Frank A. Vanderlip, president. There was a circus and an open air performance of "She Stoops to Conquer." At the outbreak of the war of 1812 nineteen banks had been chartered by the state of New York. One of these, the City Bank of New York, received its charter on June 16th, two days before war was declared. One of its first acts was the purchase of bonds from the United States government to assist in the financing of the war of 1812.

Following a run of two weeks the People's of Ironwood, Mich., suspended. S. S. Curry is president. The suspension is said to be due to the closing of the Bank of Ironwood, another private bank formerly the property of Fred Karste, of Sheboygan.

NEW FEATURE ON OPTIONAL BONDS

A new feature has been adopted in connection with the offering of Denver Park Bonds by Henry L. Doherty & Co. of New York.

It assures the purchaser that his income yield shall not be less than the basis rate at which his bond is purchased.

The bonds are callable at any time, but only in numerical order, thus making them in effect bonds having serial maturities.

Doherty & Co. have carefully estimated the serial dates of payment, and if any bonds are called for payment at dates earlier than those given in their circular—1917 to 1927—they agree to refund to the bond holder the amount needed to adjust the purchase price to the original basis of income yield.

This agreement is protected by guaranty of National Surety Co. attached to each bond.

The principle or policy of assuring the bondholder that his income rate will be protected has previously been adopted by bond houses in selling bonds of optional maturity, but the plan of protecting the agreement by surety company bond is thought to be entirely new, and surely will appeal to many bond buyers.

IDAHO BANKERS MEET AT COEUR D'ALENE

Coeur d'Alene, Idaho, June 19.—One of the most successful and interesting conventions ever held by the Idaho Bankers Association convened here Monday. The meeting was called to order by President G. E. Bowerman promptly at 10 o'clock. Addresses of welcome were delivered by Mayor T. Wood and Boyd Hamilton. A. H. Keller, vice-president of the association, made the response, after which committees for the ensuing year were appointed. At the afternoon session President Guy E. Bowerman delivered his annual address which was followed by the reports of the secretary, J. W. Robinson, and treasurer, H. H. Nuxoll. Addresses were then delivered by E. F. Larson of Nampa on "Local Bank Co-operation," printed in full elsewhere in this edition, and by J. C. Blackwell of Parma on "Benefits of Group Organizations." At the close of the afternoon session all the visiting bankers and their wives were taken for a very enjoyable automobile ride, starting from the Hotel Idaho.

Features of yesterday's program were addresses by E. W. Wilson of San Francisco; F. F. Johnson of Boise on "Cost and Credit Accounting of Country Banks;" F. A. Freeman of Portland on "The Bank as a Constructive Force." Motley H. Flint of Los Angeles and Wm. Thompson of Lewiston spoke at the afternoon session. At 2:30 the delegates and their guests were given a boat ride to St. Maries with dinner at Kootenai Inn. Returning at 7:30 there was dancing on a barge which was picked up at Chatelet. All reported a most enjoyable time.

To-day there will be speeches by Geo. N. O'Brien of San Francisco on "How the Panama Canal will Affect the Business Interests of the Pacific Coast States," and J. W. Maxwell of Seattle, who will address the convention on "Bank Advertising." The convention will close with the election of officers. In the afternoon all the delegates and their friends will be the guests of the Coeur d'Alene Racing Association for the races at Alan, Idaho.

NEW MILWAUKEE INSTITUTION

A new banking institution to be known as Union State Bank is being organized in Milwaukee, with a capital stock of \$50,000. Among the incorporators are W. B. Rubin, Judge J. C. Karel and A. O. Fox.



The Old National Bank OF SPOKANE

This bank is thoroughly organized and equipped for the proper handling of all items drawn on Pacific Northwest points

OFFICERS

D. W. TWOHY, President
T. J. HUMBIRD, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

MAUSOLEUM



The above is one of our classic four column front mausoleums. We have erected many hundreds of mausoleums ranging in price from \$2,000 to \$100,000. The private mausoleum is the least heartrending method of caring for the deceased.

Write for free booklet on "Mausoleums" to

CHAS. G. BLAKE & CO.

The Old and Reliable Makers of Mausoleums and Monuments

782 Woman's Temple (Tel. 115 Main) CHICAGO, ILLINOIS

EXTENDED TOURS TO YELLOWSTONE PARK

Twice as long in park as the regulation tours

Leave Chicago
July 2nd and 19th,
and August 10th.
All Expenses,
including Standard
Pullman Sleeping
and Dining Cars.



Entire Coaching
Tours in Special
Chartered Stages,
all Side Trips
in the Park, and
many en route.
Select Clientele.
Private, Exclusive.

THE AMERICAN TOURISTS ASS'N

1418 Marquette Building

CHICAGO

JOHN McHUGH - President
JOHN J. LARGE - V.-Pres.
W. L. MONTGOMERY, V.-Pres.
HENRY G. WEARE - V.-Pres.
F. A. McCORNACK - V.-Pres.
H. A. GOOCH - Cashier
O. D. PETTIT - Asst. Cashier
FRITZ FRITZON, Asst. Cashier

THE FIRST NATIONAL BANK

SIOUX CITY, IOWA

Capital and Surplus, \$500,000.00

Assets, \$7,016,814.43

WE SOLICIT YOUR
BUSINESS AND OFFER
YOU EXCEPTIONAL
FACILITIES. CORRE-
SPONDENCE INVITED

Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

Resources (over) \$5,900,000.00

State of Iowa—Our Direct Field
Excellent Collection Facilities

ARTHUR REYNOLDS, President
J. H. BLAIR, Vice-President C. A. BARR, Cashier

J. H. INGWERSEN, President
C. F. ALDEN, L. LAMB, C. B. MILLS, Vice-Presidents
W. W. COOK, Cashier J. L. BOHNSON, Asst. Cashier
C. S. HARRIS, Asst. Cashier

PEOPLES TRUST & SAVINGS BANK

CLINTON, IOWA

Capital - \$300,000.00
Surplus - 300,000.00

An Up-to-Date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
Collections and Bank Accounts

Largest Bank in Clinton
County

The Cedar Rapids National Bank

Cedar Rapids, Iowa

UNITED STATES DEPOSITORY

ESTABLISHED
As a Private Bank, 1877 As a National Bank, 1887
35 years of continuous, conservative and successful banking

OFFICERS
RALPH VAN VECHTEN, President
GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

BONDS FOR SALE

Town Bonds for \$4500, in denominations of \$100 bearing
5% interest from date. Bids close 2 p.m., July 15, 1912.

J. A. BROADIE, City Treasurer
PIERSON, IOWA

Des Moines, June 20.—Secretary P. W. Hall, of the Iowa Bankers Association and Detective Gust Patek, Iowa representative of the Burns agency, set a new mark in Iowa in the neatness and dispatch with which they captured and convicted the robbers of the Cylinder Savings Bank at Cylinder. Within a few hours after the robbery, James Gleason and Frank Collins had been arrested and had confessed. Less than a week after the robbery, they had pleaded guilty and had been sentenced to ten years apiece at hard labor in the Fort Madison penitentiary. This comes perilously near to setting a record for quick justice in Iowa. In the meantime, Charles Fisher at Cherokee and Hale Kinsey at Sheldon have been arrested suspected of complicity in the affair. Kinsey is in jail ostensibly for holding up a train crew. It is the theory of Detective Patek however that he held up the crew because he was frantically endeavoring to get to Sheldon where he hoped to force the city marshal to release Fisher. Secretary Hall is confident that the men were working under the direction of "Jim" Daly, organizer of the Daly gang.

Charles Shade

Charles Shade, of Rock Rapids, newly elected president of the Iowa Bankers Association, was in Des Moines last week conferring with Secretary Hall and outlining plans for the coming year. Mr. Shade is enthusiastic over the Iowa association which he says is growing much stronger each year. He believes that the agricultural improvement campaign which the association has taken up is a good thing and should be pushed along. Mr. Shade and ex-president Curtin were at Minneapolis last week attending the Minnesota convention which was held at the Agricultural College half way between the Twin Cities.

Transfer of Bank Stock

An important change in ownership of bank stock in the German Savings, Des Moines, will occur July first when Jesse Wells, president of the institution, takes over the stock held by the estate of the late president, James Watt. President Wells has been dickering for the stock for some time and negotiations have been completed. The transfer, while important as affecting the controlling interest of the bank, does not mean a change in the offices of Vice-President James O'Donnell or Cashier John Hogan.

Money Market.

The money market in Des Moines is moving somewhat slowly because of the unseasonable weather. The crops are about two weeks behind time due largely to the cool weather and heavy rainfall in some parts of the state. Corn is several per cent lower than it was on this time last year although soil is in fine condition with only more hot weather needed.

Railroad in Hands of Receiver.

The Leslie M. Shaw syndicate which was thought to have the money in sight for the pur-

chase of the Atlantic North & South Railroad, seems to be unable to deliver the goods and the road will be advertised by the receiver once more. The Shaw syndicate purchased the property for \$402,000 with the purpose in view of extending the line from Omaha to Des Moines. Mr. Shaw then began negotiations for the money in the east. He next went to London. Reports were that he had been successful in landing the money but when the date for paying up the money arrived, there was nothing doing. The impression prevails in western Iowa that the Rock Island and Burlington railroads who would be in competition with the new road succeeded in blocking Mr. Shaw's plans.

Iowa Banking Notes.

J. P. O'Malley, president of the People's National at Perry was stricken with appendicitis while visiting at Audubon and was brought to a hospital at Des Moines, where an operation was performed. At this writing, Mr. O'Malley is doing well. He is a prominent central Iowa banker and was defeated by Clint Price, of Indianola, as nominee for congress on the democratic ticket at the recent primaries.

The Waterloo Loan & Trust Company held its annual meeting and declared the regular five per cent semi-annual dividend. Benjamin J. Howrey was elected president; F. J. Eighmey and J. W. Arbuckle, vice-presidents; R. A. Dunkelberg, treasurer; A. E. Smith, cashier; E. A. Barber, assistant secretary. The company expects to remove about October first to new quarters on the second floor of the First National bank building.

S. R. Graham, assistant cashier of the Orient Savings and E. T. Dufur, president of the First National at Diagonal, were Des Moines visitors this week.

Dubuque voted \$110,000 for bonds for a new school building, but found that amount insufficient and will vote for an additional \$40,000.

The contract has been let for the interior work of the Teachout Building in East Des Moines which is to be occupied by the Iowa Trust & Savings. The contracts call for beautiful interior finishings and fixtures of the very latest pattern.

Lewis Shields has been chosen cashier of the Unionwood Savings succeeding James Shaff, resigned.

G. D. Ellysen, formerly president of the Commercial Savings, Des Moines, has returned from Indianapolis, where he attended a meeting of the American Association of Pharmaceutical Chemists.

Receiver W. R. Lee, of the First National at Carroll, has paid another five per cent dividend to the creditors making 40 per cent paid in all.

The Farmers Security at Sexton has decided to go out of business. The institution is owned by L. E. Krantz and Ed Johnson. The bank

is solvent and every depositor will be paid in full.

Stockholders in a bank at Traer and officials for the First National at Hudson have been in Cedar Falls this week inspecting the structures owned by the banks in that city. Cedar Falls has the distinction of having three handsome new bank structures erected within the past five years, any one of which is a distinct credit to the city.

The Commercial National at Council Bluffs has started suit in the district court at that place for \$8,000, which, it is alleged, the city collected upon unjust and illegal levies. It is alleged that the assessors in 1907 secured a list of the stockholders of the bank and assessed the shares of each. For four years the bank paid the taxes but finally made a written request that the supervisors remit the taxes. The latter refused and the case has been taken into the court.

C. C. Harvey, for several years cashier of the Citizens Savings at Iowa Falls, has resigned and will take a position with the Pollock Bank at Flagstaff, Arizona. Mr. Harvey was formerly in a bank at Marne.

J. P. Jordan of the University State Bank in University Place, Des Moines, made a gift of \$3,000 to Drake University as one of the donations which are being made to the institution which wishes to raise \$200,000 by July 1st.

T. D. Lockman, who went to Missoula, Mont., some eight years ago, has decided that Iowa is best, after all. He has returned to Albia, his old home, and has purchased the controlling interest in the Albia State. Mr. Lockman is a well-known southern Iowa banker, and his return has been received with gladness among his old friends.

B. G. Ensign, president of the State Bank of Neola for the past five years, has sold his stock to James Shaff, who recently resigned as cashier of the Underwood Savings. Mr. Ensign has resigned as president and J. S. Hermesen, former cashier of the institution, succeeds him. Mr. Hermesen has been with the bank for eighteen years and is well and favorably known. It is thought that Mr. and Mrs. Ensign will remove from Neola.

The Union Savings at Davenport has launched something new in the installation of a public drinking fountain. The fountain will be located in front of the bank and the water will be kept cool by means of a refrigerating system in the basement of the bank building.

It is reported that the Milton State, which recently closed at Milton, will be reorganized and will reopen shortly with a capital stock of \$32,000.

C. E. Buckley has resigned as cashier of the Prairieburg Savings, Prairieburg. J. J. Dolan has been elected to succeed him. Mr. Buckley had an interest in the bank and it is understood this has been disposed of.

The controlling interest in the Newell State at Newell has been sold by the Norton estate to R. H. Parker of Des Moines, J. R. Neill of Cherokee, and Lorne F. Parker of Cherokee. It is stated that the Harvey interests have also sold to the same purchasers as the above.

Sioux City

By JOHN J. BIDDISON.

Notwithstanding reports of worm troubles and bad stand that are more or less discouraging, local bankers have reason to believe that the corn crop, like all the other crops of the growing year in this territory, will be up to



MANY bankers, from time to time, have need of a special or secondary reserve fund. This reserve fund they carry in bonds or as an inactive account at interest with a metropolitan bank. We make a specialty of handling such inactive reserve accounts for banks and bankers, and of supplying carefully selected bonds for investment, circulation, emergency currency, government deposits or postal savings fund purposes. To banks intending to establish a secondary reserve fund unexcelled facilities are offered.

We have prepared an exceptionally informative leaflet on government bond data in concise enough form to be practical to every banker, — just the thing to have close at hand for ready reference. We shall be pleased to send these leaflets free upon request.

Harris Trust & Savings Bank

Organized as N. W. HARRIS & CO. 1882. Incorporated 1907

HARRIS TRUST BUILDING, CHICAGO

the standard, or better. This is the opinion of W. P. Manley, president of the Security National, who is not only a banker but a "farmer," owner of a large ranch in this county. His reports indicate that corn is about two weeks later than usual, owing to the extremely cold weather for the time of year, and there has been considerable replanting, due to poor seed, but this is about done. Rains have been plentiful, and the advent of warm weather soon is all that is needed to make corn come out as usual. This condition applies not only in this section of Iowa, but in Nebraska and South Dakota as well. Some complaints are made around the country that cut worms and wire worms are doing more than the usual amount of damage. This is probably true, but at that they are not a serious factor. The Illinois Cen-

tral railroad crop report for this section is optimistic. All small grains bid fair to yield phenomenal returns. Hay is good.

Catch Forger

While E. R. Gurney, vice-president of the First National bank of Fremont, Neb., entertained D. A. Clevenger, a visitor at the bank, with tales of his recent trip east, Cashier Knapp slipped out a side door and summoned the chief of police, and a few minutes later Clevenger was admitted behind the bars of the city bastille, there to remain, pending charges of forgery which were placed against him. He had cashed several checks at the bank, aggregating about \$100. One of them, bearing the name of J. W. Tenbrink, was repudiated as a forgery.

THE FIRST NATIONAL BANK OF PITTSBURGH PENNSYLVANIA

UNUSUAL advantages are offered to banks and bankers who keep their reserve accounts with the First National Bank of Pittsburgh. An unbroken history of more than sixty years has resulted in the establishment of desirable connections all over the globe, which place our customers in closest touch with the whole world of finance. Your reserve here is available ANYWHERE AT ANY MOMENT

Capital, Surplus and Profits \$ 2,122,693.08

Resources - - - 21,313,434.47

OSCAR L. TELLING, President

F. H. RICHARD, Cashier

THIRD NATIONAL BANK PHILADELPHIA, PENN.

Capital - - \$600,000

Surplus and Net Profits 925,000

Accounts of Banks and Bankers Invited

OFFICERS

LOUIS WAGNER	-	-	-	-	-	President
THOS. J. WOOD	-	-	-	-	-	Cashier
W. CLIFFORD BUDD	-	-	-	-	-	Asst. Cashier
WM. T. TOMLINSON	-	-	-	-	-	2nd Asst. Cashier

CAPITAL
\$1,200,000.00

SURPLUS
\$800,000.00

RESOURCES
\$7,953,046.13



240

FIFTH AVE.

THE HEART
OF THE BUSINESS DISTRICT"

PRESIDENT
JOSEPH W. MARSH

CASHIER
ALEXANDER DUNBAR

ASST. CASHIERS
J. P. MCKELVEY
P. D. BEATTY

A STRICTLY COMMERCIAL
BANK GIVING ESPECIAL
CARE TO THE NEEDS OF
INDIVIDUALS, FIRMS
CORPORATIONS AND
BANKS

EQUAL CONSIDERATION
AND TREATMENT TO ALL
SMALL ACCOUNTS JUST
AS WELCOME AS LARGE
ONES

THE EXCHANGE NATIONAL BANK
OF PITTSBURGH.

Capital and Surplus



\$2,250,000.00

Diamond National Bank PITTSBURGH, PENN.

The fact that 50% of this bank's deposits consists of banker's balances, speaks for the kind of service given. Business on Pittsburgh, West Pennsylvania, Ohio and West Virginia especially solicited. Most of this territory handled direct. An opportunity is sought to discuss methods and terms with those who may be interested in improving or increasing their connections in this center.

WILLIAM PRICE, President

D. C. WILLS, Cashier

W. O. PHILLIPS, Ass't Cashier

The Continental Trust Company BALTIMORE, MD.

Capital, Surplus and Profits, \$3,750,000

Accounts of Banks and Trust Companies received
on liberal Terms

SPECIAL ATTENTION GIVEN TO COLLECTIONS

Transacts a General Trust Company Business

S. DAVIES WARFIELD, President

THOMAS M. HULINGS, Vice-President

F. C. DREYER, Treasurer

H. A. BEASLEY, Secretary

W. J. CASEY, Vice-President

MAURICE H. GRAPE, Ass't Treasurer

R. HYLAND COX, Trust Officer

CORRESPONDENCE INVITED

First National Bank OF RICHMOND, VA.

A strong commercial bank, aiding the production and distribution of commodities, and devoting itself to the up-building of industrial prosperity

CAPITAL AND SURPLUS \$ 2,000,000.00

DEPOSITS - - 8,000,000.00

RESOURCES - - 12,000,000.00

JNO. B. PURCELL, President JNO. M. MILLER, Jr., Vice-President and Cashier

FRED E. NOLTING, 2nd Vice-President

President Walter Newcomer to the Maryland Bankers

Advises taking up agricultural and educational issues and refers to conflicting convention dates in contiguous states

In my address last year, upon my election to the presidency, I asked of you three things, namely, suggestions, toleration and co-operation. As to co-operation, one of my duties was to appoint committees in various counties to consider the question of the payment of interest on balances, and I am glad to say that no one declined to serve and only one man has since resigned, and that for the very good reason that he was moving away from the county to a distant part of the state. It is not necessary to detail here the work of these committees, as their reports upon the floor of this convention will show you the splendid progress made by some and explain why others have not been able to do likewise. We also met with hearty co-operation and assistance in the matter of the bank tax bill, for since our last meeting the state of Maryland has been afflicted with another session of the legislature at which a bill was presented and most earnestly worked for by the great majority of the banks. It is sad to chronicle another defeat for this bill, but it is far easier to get through a bill calling for largely increased expenditures by the state and the city, whether necessary or not, than it is to pass one causing any decrease whatever in revenue, even though accompanied by prospects of great future advantage. In addition to this difficulty and to the opposition of a few banks, we found the legislative halls so crowded and the legislature's time so completely occupied with discussions of the local option question and the woman's suffrage that there was very little time for proper consideration of other questions. A second defeat is so discouraging that it is difficult to keep on hoping, but if those of us who advocated the bank tax bill are correct in our views that it is a wise measure, there is still hope that another legislature will pass it, for we had this year most encouraging support on the part of merchants, real estate men and others from whom we had no right to expect endorsement, and we may, therefore, hope that another two years' growth in this sentiment will be sufficient to bring success, a success which we believe would be of the greatest benefit to the whole banking situation in the city of Baltimore and throughout the state.

I am inclined to take this opportunity to lay before you a matter which some of you will be surprised to hear proposed by a city man, and that is the question of encouragement by our banking fraternity of steps looking to the improvement of conditions on our farms, in the hope of actually making the lands more productive than they are to-day, and at the same time improving the attractiveness of the farms to those who remain upon them. This matter was first brought to my attention at the time of the meeting of the American Bankers Association last November at New Orleans, when Joseph Chapman, Jr., of Minneapolis, made a most interesting report to a gathering of bankers, showing the progress and the accomplishment of similar movements in Minnesota, Iowa, Illinois and other western states.

At that time I promised to bring the matter before this convention, and since my return have received a circular on the same general lines from the crop improvement committee of the chamber of commerce of Baltimore, and only recently the matter was formally presented at Briarcliffe to the executive council of the American Bankers Association and heartily endorsed by them. You will see, therefore, that it is of far-reaching importance and that

it is high time Maryland was in line to take some steps to the same end, for we have essentially a farming state. We all realize that the foundation of the wealth of the country is in our farms and that any improvement, however slight in itself, if sufficiently far-reaching to spread over the broad area of this country and produce a few dollars a year more in revenue per acre, means a tremendous amount, not only to the farmers but to the transportation companies, the merchants and the bankers. Our agricultural colleges do a certain amount of work in this line in the way of educating farmers' boys, but only a very small proportion receive the benefit of this, and in nine cases out of ten, although their work is carried on to the very best of their ability, it is largely theoretical without the practical training that is needed. They are doing as much as their limited resources will permit, and an increased appropriation from the state sufficient to enable them to give demonstrations and make practical suggestions direct to the farmers, and conditioned upon their so broadening their work on these lines promises most valuable results.

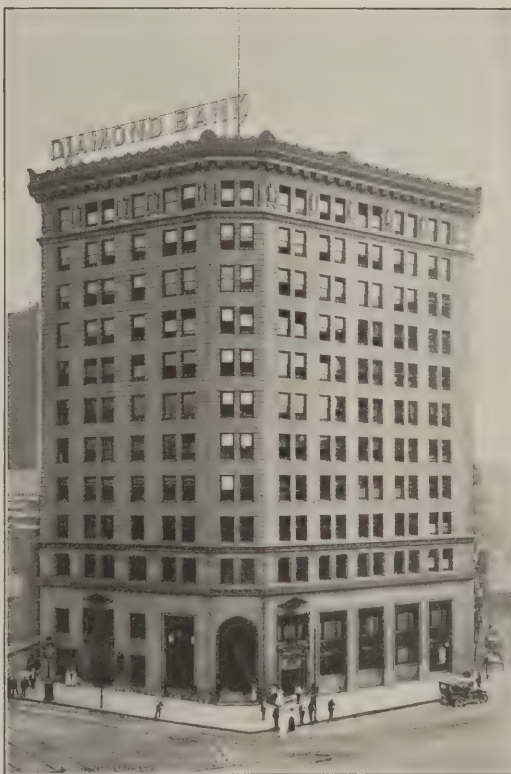
The bureau of agriculture of the United States government is exercising considerable influence in this direction, but those who have worked with this problem believe that a great deal more is to be accomplished by work done in each of the states separately. I do not wish to trouble you with a detailed report of what

is being done in each of the various states. As a start in this matter I would recommend the appointment of a small committee, preferably from the agricultural districts of the state, to co-operate with the crop improvement committee of the Baltimore Chamber of Commerce, and to report to our next convention with suggestions for practical work on these lines. It would also be most valuable and instructive if at least one delegate could be sent to attend the second annual conference of the various state agricultural committees, which conference will be held at Minneapolis or St. Paul during the second week of August of this year.

It is most unfortunate that our convention almost always conflicts with that of some neighboring state, which our bankers would like to attend and whose representatives we would so warmly welcome at ours. Last year it was with New York, this year it is with Virginia. At present each state convention arranges its own date according to its own convenience, considering at the very outside only those dates which have been previously announced, so that the very ones who decide last, because most limited in their scope of dates, find themselves unable to avoid conflicting with some other convention. Our own choice of date is restricted to a very narrow period by several unavoidable and ever-existing conditions, and the conventions of some other states are similarly restricted, but I would suggest that the secretary be instructed to correspond with the secretaries of several of our neighboring associations before any dates have been fixed for next year and see whether it is not possible by co-operation and a frank explanation of the situation to arrange a schedule which will prevent many conflicts unavoidable under the present system and which will permit representatives of the New York and Pennsylvania banks who desire to attend all these state conventions to do so without unnecessary traveling, gaps of lost time or performing the very difficult feat of being in two places at one time.

During the past year death has dealt leniently with our membership so far as mere numbers are concerned, but in personality our loss has been heavy. The official report shows only two deaths of members, but those are names that stand forth in the annals of this association, as well as in their own communities. Robert Shriver, the grand old man of Cumberland, and the friend of all of us, and H. H. Haines, of Rising Sun, than whom no other member was more faithful in attendance at our conventions or more loyal to this association.

In conclusion, may I express my sincere appreciation of the faithful and efficient services of our secretary, Mr. Hann, and our treasurer, Mr. Marriott? This is not merely a form of words to be repeated year after year, but grows out of a sincere recognition of the fact that these men, with their experience, willingness and energy, have relieved the president of all care and worry and have made possible the successful administration of his office. To my fellow members I am grateful for the compliment conveyed in conferring this high honor upon me, for their cordial support and kindly words, and in returning to private life I shall carry with me most delightful memories of my many friends among the bankers of Maryland, and trust that even as an ex-president in a state of innocuous desuetude I may still retain their friendship and respect.



DIAMOND NATIONAL BANK BUILDING
Pittsburgh, Pennsylvania

Continental and Commercial National Bank OF CHICAGO

Statement of Condition at Close of Business, June 14, 1912

RESOURCES		
Loans and Discounts	\$132,514,298.94	\$147,032,850.76
Bonds, Securities, etc.	14,518,551.82	8,703,062.50
U. S. Bonds to Secure Circulation		5,158.80
Real Estate		9,490.60
Overdrafts		
Due from Banks and U. S. Treasurer	\$ 27,014,407.13	72,153,189.10
Cash	45,138,781.97	\$227,903,751.76
LIABILITIES		
Capital Stock	\$ 21,500,000.00	
Surplus Fund	8,000,000.00	
Undivided Profits	1,191,142.94	
Reserved for Taxes	185,000.00	
Circulation	8,583,697.50	
Deposits	188,443,911.32	
		\$227,903,751.76

GEORGE M. REYNOLDS, Pres.
RALPH VAN VECHTIN, V.-Pres.
ALEX. ROBERTSON, V.-Pres.
HERMAN WALDECK, V.-Pres.
JOHN C. CRAFT, V.-Pres.
JAMES R. CHAPMAN, V.-Pres.
WILBER HATTERY, Asst. Cash.
EDWARD S. LACEY, Chairman of Advisory Committee

OFFICERS

WM. T. BRUCKNER, V.-Pres.
WM. G. SCHROEDER, V.-Pres.
NATHANIEL R. LOSCH, Cashier
HARVEY C. VERNON, Asst. Cash.
GEO. B. SMITH, Asst. Cash.
WILBER HATTERY, Asst. Cash.

H. ERSKINE SMITH, Asst. Cash.
JOHN R. WASHBURN, Asst. Cash.
WILSON W. LAMPERT, Asst. Cash.
DAN NORMAN, Asst. Cash.
FRANK L. SHEPARD, Auditor

Continental and Commercial Trust and Savings Bank CHICAGO

Statement of Condition at Commencement of Business, June 15, 1912

RESOURCES		
Time Loans (secured by collateral)	\$5,619,086.29	\$ 6,474,632.00
Demand Loans (secured by collateral)		
Bonds and Securities	10,658,373.49	
Due from Banks	1,869,979.68	
Cash	1,793,101.21	
Demand Resources		\$19,940,540.67
LIABILITIES		
Capital Stock	\$3,000,000.00	\$26,415,172.67
Undivided Profits	1,375,873.76	
Reserved for Taxes and Interest	173,806.95	
Demand Deposits	\$11,049,003.39	\$ 4,549,680.71
Time Deposits	10,816,488.57	21,865,491.96
		\$26,415,172.67

GEORGE M. REYNOLDS, President
JOHN JAY ABBOTT, Vice-President
GEO. B. CALDWELL, Vice-President
CHAS. C. WILLSON, Cashier
FRANK H. JONES, Secretary
WM. P. KOPF, Asst. Secretary

Hibernian Banking Association CHICAGO

Statement of Condition Before the Commencement of Business, June 15, 1912

RESOURCES		
Time Loans	\$18,619,199.76	
Real Estate	46,865.92	
Bonds and Securities	\$ 6,604,234.24	
Demand Loans	1,523,496.66	
Cash and Exchange	3,316,555.86	11,444,286.76
		\$30,110,352.44
LIABILITIES		
Capital Stock	\$1,500,000.00	
Surplus Fund	600,000.00	
Undivided Profits	868,193.12	
Reserved for Taxes and Interest	280,195.24	
Demand Deposits	\$ 4,042,190.82	
Time Deposits	22,819,773.26	26,861,964.08
		\$30,110,352.44

DAVID R. LEWIS, Vice-Pres.
HENRY B. LARKE, Vice-Pres. and
Manager Savings Dept.
GEORGE M. REYNOLDS, President
LOUIS B. CLARKE, Vice-Pres.
JOHN W. MACGEEGH, Cashier
FREDERIC S. HEBARD, Sec'y
EVERETT R. McFADDEN, Asst. Sec.
JOHN P. V. MURPHY, Asst. Cash.
GEORGE ALLAN, Asst. Cashier

The capital stock of the Continental and Commercial Trust and Savings Bank (\$3,000,000) and the capital stock of the Hibernian Banking Association (\$1,500,000) is owned by the stockholders of the Continental and Commercial National Bank of Chicago.

Combined deposits of these banks, \$237,171,367.36

Report of the Condition of the Drovers Deposit National Bank Union Stock Yards - CHICAGO

At the Close of Business, June 14, 1912

Resources	
Loans and Discounts	\$ 6,850,344.82
Overdrafts	17,869.56
United States and Other Bonds	787,942.56
Real Estate	30,000.00
Cash and Due from Banks	3,850,387.37
Total	\$11,536,544.31
Liabilities	
Capital Stock, paid in	\$ 600,000.00
Surplus and Profits	472,962.05
Reserved for Taxes	4,295.51
National Bank Notes Outstanding	594,700.00
Deposits	9,864,586.75
Total	\$11,536,544.31

OFFICERS
EDWARD TILDEN, President
JOHN FLETCHER, Vice-President
GEORGE M. BENEDICT, Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, Assistant Cashier
DIRECTORS
EDWARD TILDEN
GEO. M. BENEDICT
WM. A. TILDEN
AVERILL TILDEN
L. B. PATTERSON
JOHN FLETCHER
WM. C. CUMMINGS

FOREMAN BROS. BANKING CO.

S. W. Corner La Salle and Washington Streets, CHICAGO

Statement of the Condition at the Commencement of Business
June 15, 1912

RESOURCES	
Loans and discounts	\$8,879,184.01
Overdrafts	7,630.73
Stocks and bonds	188,486.70
Cash on hand and in banks	3,489,523.07
Total	\$12,564,833.60
LIABILITIES	
Capital	\$1,000,000.00
Surplus	500,000.00
Undivided Profits	64,772.19
Deposits	11,000,061.41
Total	\$12,564,833.60

EDWIN G. FOREMAN, President
OSCAR G. FOREMAN, Vice-President
GEORGE N. NEISE, Vice-President
JOHN TERBORGH, Cashier
JAMES A. HEMINGWAY, Secretary
ANDREW F. MOELLER, Asst. Cashier
HAROLD E. FOREMAN, Asst. Cashier
EDWIN G. NEISE, Asst. Secretary

ESTABLISHED 1879 State Bank of Chicago

S. E. Cor. La Salle and Washington Streets

CONDENSED REPORT, JUNE 15, 1912

RESOURCES	LIABILITIES
Loans and Discounts \$21,174,189.05	Capital Stock \$ 1,500,000.00
Overdrafts 8,287.01	Surplus (Earned) 2,000,000.00
Bonds 1,207,834.80	Undivided Profits 270,812.40
Cash and Due from Banks 7,173,933.92	Reserved for Interest and Taxes 137,500.00
	Dividends unpaid 45.00
	Deposits 25,655,887.38
\$29,564,244.78	\$29,564,244.78

OFFICERS—L. A. GODDARD, President; HENRY A. HAUGAN, Vice-President; HENRY S. HENSCHEN, Cashier; FRANK I. PACKARD, Assistant Cashier; C. EDWARD CARLSON, Assistant Cashier; SAMUEL E. KNECHT, Secretary; WILLIAM C. MILLER, Assistant Secretary.

BOARD OF DIRECTORS—DAVID N. BARKER, Manager Jones & Laughlin Steel Co.; J. J. DAU, President Reid, Murdoch & Co.; THO. FREEMAN, Retired Merchant; L. A. GODDARD, President; HENRY A. HAUGAN, Vice-President; H. G. HAUGAN, Ex-Comptroller Chicago, Milwaukee & St. Paul Ry.; OSCAR H. HAUGAN, Manager Real Estate Loan Department; A. LANQUIST, President Lanquist & Hiley Co.; WM. A. PETERSON, Proprietor Peterson Nursery; GEO. E. RICKARDS, Chicago Title & Trust Co.; MOSES J. WENTWORTH, Capitalist.

YOUR BUSINESS INVITED

THE NATIONAL BANK OF THE REPUBLIC

OF CHICAGO

STATEMENT OF CONDITION AT THE CLOSE OF BUSINESS, JUNE 14, 1912

RESOURCES	LIABILITIES
Loans \$18,758,542.93	Capital Stock Paid in \$ 2,000,000.00
United States Bonds at par 401,000.00	Surplus 1,000,000.00
Cash and Exchange 9,497,326.36	Undivided Profits 379,514.49
	Reserved for Taxes 7,000.00
	Currency in Circulation 400,000.00
	Bond Account 329,000.00
	Deposits 24,550,356.80
Total \$28,656,871.29	Total \$28,656,871.29

OFFICERS—JOHN A. LYNCH, Pres.; W. T. FENTON, V.-Pres.; R. M. McKINNEY, Cashier; O. H. SWAN, Asst. Cash.; JAMES M. HURST, Asst. Cash.; W. B. LAVINIA, Asst. Cash.; W. H. HURLEY, Asst. Cash.; W. S. BISHOP, Asst. Cash.; WM. G. LEISENRING, Mgr. Bond Dept.; A. O. WILCOX, Mgr. Foreign Department

BOARD OF DIRECTORS—IRA M. COBE, Chairman of the Board, Chicago City Railway Co.; JOHN A. LYNCH, President; CHARLES H. CONOVER, Vice-President Hibbard, Spencer, Bartlett & Co.; CHARLES R. CRANE, Vice-President Crane Co.; JOHN V. FARWELL, Pres. John V. Farwell Co.; H. W. HEINRICH, Vice-President Richardson Shoe Co.; ROLLIN A. KEYES, Pres. Franklin MacVeagh & Co.; JOHN R. MORRIS, Pres. Peter Cooper's Glue Factory, Pres. Atlas Portland Cement Co.; SAMUEL C. SCOTTEN, Treas. Pacific American Fisheries Co.; HENRY SIEGEL, President Simpson-Crawford Co., N. Y.; E. B. STRONG, Capitalist; LOUIS F. SWIFT, President Swift & Co.; FRANK E. VOGEL, Vice-President Siegel, Cooper & Co.; W. T. FENTON, Vice-President.

Bank Co-operation as Perfected at Nampa, Idaho

E. F. Larson of that city tells the story of its success to the Coeur d'Alene convention. The newer philosophy works well

Coeur d'Alene, June 17.—Cashier E. F. Larson of the Citizens State Bank at Nampa told the convention to-day of the new gospel of bank co-operation as perfected and practiced by the banks of his city. Among other things he said:

This subject of local bank co-operation is a most important and serious one. The success or failure of many matters of importance to the community, depends upon the harmony existing between the banks holding, as they practically do, the key to every important business enterprise in the town. But as important as this matter is to the public, it is even more so to the banks, and it is upon this latter phase of the matter that I wish to elaborate. I happen to be an officer of one of the banks of Nampa, a town of about five thousand people, and of which I believe it can be said with pardonable pride, that it is one of the most up-to-date and progressive towns in the whole intermountain country.

In banking circles of southern Idaho, Nampa stands unique, in having what has been so often conceded to be the most practical and sensible bank co-operation to be found anywhere, and I trust I may be pardoned in taking the Nampa Plan as an illustration of what can be accomplished through earnest and conscientious effort. Not that there is anything wonderful or unheard of about it; on the contrary it is extremely simple.

I have been asked many times by bankers of this state how we managed to get all the banks into an agreement that each one is so anxious to keep, and frequently after explaining it, I notice a look of disappointment on the face of my friend, who seemingly expected to hear of some closely guarded secret, heroic action or great sacrifice. The very basis and fundamental principle of co-operation must be faith and confidence in your competitor, a sincere regard for your stockholders, and generally speaking a desire to pursue a "live and let live" policy. In considering this matter, let us for a moment leave the customer in the background, assuming that every good bank is run from the inside of the counter and most poor ones from the outside.

Practical co-operation between competitors covers substantially every phase of the business. In the Nampa Plan we cover overdrafts, exchange, advertising, donations, printing of special customers' checks, interest paid on deposits, safety deposit box rentals, escrows, farm auction sales, the drawing of legal papers, and while we have an understanding on rates for loans, we leave it optional with each bank, believing that the circumstances surrounding each individual loan are so different, that it is better to leave the matter of rate open.

Referring hastily to the matter of public donations, we all know how cunningly the solicitor calls our attention to the fact that the "other bank" or perhaps all of them have subscribed "so much," inferring, of course, that it would be suicide not to follow suit or go them one better. The funds of the banks at Nampa can be used for such purposes by special agreement only.

We have eliminated all calendars, booklets, purses, trinkets of every kind, in fact all advertising novelties. The only advertising allowed is in our home newspapers, and in them the size is limited. This has of course brought us into bad repute with our traveling men, who rarely fail to assure us that we have made the mistake of our lives in putting the ban

upon their particular line of advertising, and that it will only be a matter of time when we would resume it. Be that as it may, it is working very satisfactory. We are experimenting. We do not contend that we will always pursue this policy. Perhaps our experience with over-advertising and not advertising at all, will eventually show us the happy medium.

On March 1st, last, we eliminated overdrafts. Every experienced banker knows full well the task we have undertaken. We mailed every patron a notice that on and after March



G. E. BOWERMAN
St. Anthony
President Idaho Bankers Association

1st no overdrafts would be allowed, and so far it has worked better than we had hoped for. How often we have heard the remark that Mr. Smith's check is always good at a certain bank, regardless of the size of his balance. The common custom among banks in allowing overdrafts has made such remarks possible. To overdraw is simply forcing a loan upon your banker. He should loan the funds of the institution instead of the depositor. I know of nothing that will so certainly and so quickly put a banker in bad grace with a depositor as to refuse the payment of his check. I know of no other privilege extended by banks that is half so dear to the customer.

It is largely the banker's fault, purely a matter of custom and indulgence, nothing else.

Our bank co-operation at Nampa has caused a great many remarks both favorable and unfavorable, humorous and disagreeable. We have been censured, we have been told that we have lost our individuality and influence, we have been accused of forming a trust in the restraint of trade. It kept some of our street corner philosophers working overtime, picturing in lurid colors and wild gestures the calamity that was about to fall upon the community. A few there were who were seriously afraid that we were inconveniencing the public. Others spurned the idea of such an agreement, and ridiculed the possibility of its lasting over night. This kind of talk has died out. The muckraker and street orator have turned their attention to the political situation. The facts of the matter are that three-fourths of our people do not know the existence of any special agreement, aside from that of overdrafts.

It is needless to say, that our agreement would have been canceled long ago, had we found it impractical or injurious to our business, or in anyway affecting the patronage of our banks. We weighed each point carefully before going into it, knowing it would result in better banking and ultimate satisfaction. The bankers of Nampa are young, ambitious men, and if in the past any lack of faith or confidence in each other existed, it certainly has not been exhibited during the past eighteen months, during which time it has been put to the most searching test. The remark has often been made that the banks of Nampa might just as well be under one management in one office, for everything was practically the same at all of them. This would naturally be the consequence, were it not for the fact that by a consolidation new competition might be encouraged.

To bring the several bankers of a town together on a general agreement is usually a very delicate matter. So frequently we have grievances against our competitor for some fancied slight or injury, and he may have the same. To discuss these matters without widening the breach is truly a very difficult matter and often results in failure, unless all concerned are broad and large enough to grant that possibly they might be mistaken. If a town has the misfortune of having a banker whose word is questionable, it complicates matters very seriously, and it is doubtful if any agreement would last long. However, I believe there are exceedingly few cases in which the bankers of a town cannot be persuaded to see the advantage of co-operation.

Confidence is essential in all business transactions and we must have it from our patrons. No bank can prosper without it. A banker is looked upon, as a rule, as the very personification of confidence. Why, then, should we hesitate to trust our fellow banker? Why should not competitors have as much confidence in each other as customers have in their banks? Cultivate the acquaintance and esteem of your competitor as you would a patron. Prove yourself trustworthy and you will gain his confidence. Here is a good place for the application of the Golden Rule.

I believe the best way to get together on co-operation is to discuss frankly all matters of importance that affect the service rendered and the Profit and Loss account. Carefully consider every point and before agreeing to it, make sure that you can and will stick to it.

1857



1912

Statement of Condition at Commencement of Business, June 15, 1912

RESOURCES	
Loans and Discounts.....	\$35,202,982.81
Bonds and Mortgages.....	10,418,522.91
Due from Banks and Bankers.....	\$14,169,673.75
Cash and Checks for Clearing House.....	9,671,968.72
	<u>\$69,463,148.19</u>
LIABILITIES	
Capital Stock.....	\$ 3,000,000.00
Surplus Fund.....	6,000,000.00
Undivided Profits.....	573,016.30
Reserved for Accrued Interest and Taxes.....	71,703.49
Deposits.....	59,818,428.40
	<u>\$69,463,148.19</u>

DEPARTMENTS

Commercial, Savings, Trust, Bond, Farm Loan, Foreign Exchange

DIRECTORS

FRANK H. ARMSTRONG, Vice-President Reid, Murdoch & Company	THIES J. LEFENS, Capitalist
ENOS M. BARTON, Chairman Board of Directors Western Electric Company	CYRUS H. McCORMICK, President Inter- national Harvester Company
CLARENCE A. BURLEY, Attorney and Capitalist	SEYMOUR MORRIS, Trustee L. Z. Leiter Estate
HENRY P. CROWELL, President Quaker Oats Company	JOHN S. RUNNELLS, President Pullman Company
WILLIAM A. GARDNER, President Chicago & Northwestern Railway Co.	EDWARD L. RYERSON, Chairman Board of Directors Joseph T. Ryerson & Son
ELBERT H. GARY, Chairman Board of Directors United States Steel Corp.	JOHN G. SHEDD, President Marshall Field & Company
EDMUND D. HULBERT, Vice-President	ORSON SMITH, President
CHAUNCEY KEEP, Trustee Marshall Field Estate	ALBERT A. SPRAGUE, II., Vice-President Sprague, Warner & Company
	MOSES J. WENTWORTH, Capitalist

OFFICERS

Orson Smith, President	P. C. Peterson, Assistant Cashier
Edmund D. Hulbert, Vice-President	C. E. Estes, Assistant Cashier
Frank G. Nelson, Vice-President	Leon L. Loehr, Secretary and Trust Officer
John E. Blunt, Jr., Vice-President	F. W. Thompson, Mgr. Farm Loan Dept.
J. G. Orchard, Cashier	H. G. P. Deans, Mgr. Foreign Dept.

STATEMENT OF CONDITION OF THE LIVE STOCK EXCHANGE NATIONAL BANK OF CHICAGO

AT THE CLOSE OF BUSINESS, JUNE 14, 1912

RESOURCES		LIABILITIES	
Loans and Discounts.....	\$8,808,808.83	Capital Stock.....	\$1,250,000.00
Overdrafts.....	1,474.92	Surplus.....	400,000.00
United States Bonds.....	100,000.00	Undivided Profits.....	147,088.13
Other Bonds.....	250,875.00	Discounts Collected but not Earned.....	118,023.38
Real Estate.....	15,000.00	Reserved for Taxes.....	13,007.59
Cash and Due from Banks.....	4,615,825.95	Circulation.....	99,200.00
	<u>\$13,791,984.70</u>	Dividends Unpaid.....	147.50
		Deposits.....	11,764,518.10
			<u>\$13,791,984.70</u>

OFFICERS

W. A. HEATH, President	G. A. RYTHUR, Vice-President
G. F. EMERY, Cashier	A. W. AXTELL, Asst. Cash.
	H. E. HERRICK, Asst. Cash.

DIRECTORS

J. Ogden Armour	Arthur G. Leonard	H. E. Poronto
James H. Ashby	Charles M. Macfarlane	G. A. Ryther
Samuel Cozens	Edward Morris	J. A. Spoor
W. A. Heath		Edward F. Swift

Statement of the Condition of the NATIONAL PRODUCE BANK OF CHICAGO ILLINOIS

At Close of Business June 14, 1912

RESOURCES		LIABILITIES	
Loans and Discounts.....	\$1,292,509.45	Capital Stock.....	\$ 250,000.00
United States Bonds.....	253,750.00	Surplus.....	50,000.00
Other Bonds and Securities.....	384,500.96	Undivided Profits.....	50,464.85
Furniture and Fixtures.....	9,000.00	Circulation.....	247,900.00
Due from U. S. Treasurer.....	12,500.00	Reserve for Taxes.....	1,200.00
Cash and Due from Banks.....	990,316.18	Deposits.....	2,345,011.74
	<u>\$2,942,576.59</u>		<u>\$2,942,576.59</u>

OFFICERS—EDWIN L. WAGNER, President; JOHN W. LOW, Vice-President; RALPH N. BALLOU, Cashier; H. B. AHRENSFELD, Assistant Cashier.

DIRECTORS—Thos. C. Blayney, Edward R. Davis, S. M. Hastings, Charles W. Higley, John W. Low, Walter McBroom, Sampson Rogers, W. C. Shurtleff, E. H. Story, Edwin L. Wagner, Wm. P. Wagner, Wm. Wingle, Jr.

Peoples Trust and Savings Bank

Peoples Gas Building, Michigan Avenue and Adams St., CHICAGO

Condensed Report of Condition June 14, 1912

RESOURCES

Loans.....	\$5,054,503.68
Bonds.....	1,126,648.47
Furniture and Fixtures.....	8,812.65
Due from Banks.....	955,578.26
Cash on hand.....	561,929.70
	<u>\$7,707,472.76</u>

LIABILITIES

Capital Stock.....	\$ 500,000.00
Surplus.....	100,000.00
Undivided Profits.....	81,625.64
Reserve for Taxes and Interest.....	17,164.92
Deposits.....	7,008,682.20
	<u>\$7,707,472.76</u>

DIRECTORS

CHARLES G. DAWES
J. KRUTTSCHNITTS. M. FELTON
W. IRVING OSBORNE
GEO. M. REYNOLDSJAMES F. MEAGHER
C. H. BOSWORTH

OFFICERS

C. H. BOSWORTH, Pres.
R. H. GRIFFIN, Vice-Pres.
W. J. COOK, SecretaryEARL H. REYNOLDS, Cash.
A. M. RODE, Asst. Cashier
R. B. UPHAM, Mgr. Bond Dept.

REPORT OF THE CONDITION OF THE CORN EXCHANGE NATIONAL BANK OF CHICAGO

At the Close of Business, June 14, 1912

RESOURCES

Time Loans.....	\$32,866,793.21	
Demand Loans.....	8,857,150.82	\$41,723,944.03
Overdrafts.....		51.99
United States Bonds.....		1,700,000.00
Other Bonds.....		2,821,560.00
Bank Building.....		2,000,000.00
Cash on Hand.....	\$12,359,952.55	
Checks for Clearing House.....	1,856,644.22	
Due from Banks.....	9,797,310.31	
Due from Treasurer U. S.....	172,000.00	
	<u>\$72,431,463.10</u>	

LIABILITIES

Capital.....	\$3,000,000.00
Surplus.....	5,000,000.00
Undivided Profits.....	974,296.13
Circulation.....	454,997.50
Dividends Unpaid.....	92.00
Deposits—Banks and Bankers.....	31,031,512.11
Individual.....	31,970,565.36
	<u>\$72,431,463.10</u>

OFFICERS

CHARLES L. HUTCHINSON, Vice-Pres.	ERNEST A. HAMILL, President	JOHN C. NEELY, Secretary
CHAUNCEY J. BLAIR, Vice-President	FRANK W. SMITH, Cashier	J. EDWARD MAASS, Ass't Cashier
D. A. MOULTON, Vice-President	JAMES G. WAKEFIELD, Ass't Cashier	
B. C. SAMMONS, Vice-President	LEWIS E. GARY, Ass't Cashier	

DIRECTORS

CHARLES H. WACKER	MARTIN A. RYERSON	CHAUNCEY J. BLAIR	CHARLES H. HULBURD
CLARENCE BUCKINGHAM	EDWARD B. BUTLER	EDWARD A. SHEDD	ERNEST A. HAMILL
FREDERICK W. CROSBY	BENJAMIN CARPENTER	EDWIN G. FOREMAN	CHARLES L. HUTCHINSON
	WATSON F. BLAIR	CLYDE M. CARR	

Foreign Exchange—Letters of Credit—Cable Transfers

The Audit Company of Illinois

2002-2003 Harris Trust Building

CHICAGO

Specialists in

Auditing and Systematizing
Public Service Corporations

C. W. KNISELY, C. P. A.

President—Manager

REFERENCES:

Leading Bond Houses dealing in Gas, Electric and Railway Securities



J. W. ROBINSON
Boise
Secretary Idaho Bankers Association

And should your competitor break the agreement, instead of running up the red flag and declaring war on him, remind him of the violation. He may have done so without intention or without knowing it. We all make mistakes. Talk to him as you would to a customer and the chances are ten to one that he will thank you for the consideration and courtesy shown him and assure you that it will not happen again. If within your heart is nursed that feeling of superior virtue over that of your competitor, that makes it impossible for you to have anything in common with him, it will seriously affect any agreement that you might enter into. You may be a better man, with more virtue than your rival, but the chances of his believing it are against you.

Perhaps the greatest service that the banks of Nampa render each other, is the checking over of all loans made to parties who owe more than one bank. Our method of checking these over is to let one bank call off its list of borrowers, and where two or more banks have made loans to the same party, the amount and usually all the facts are discussed. Nothing is said regarding borrowers confining their line to one bank. We have talked some of rating every bank patron, but this has not yet been done. This would be a valuable guide, for frequently all the facts are not known to the loaning bank, that might seriously affect it.

I wish to dispel any impression you may have received in the course of these remarks that we have stifled competition at Nampa. This is neither practical nor desirable. Take competition out of the banking business and the chances are that the service rendered would be less satisfactory. Take sentiment and pride out of the managers of a bank and the probability is that the business will decrease and become less profitable. Now and then we see a banker whose head has become gray in the service, and contented with the spoils of many years of close application to business, rests on his oars, unmindful of the young men across the street, who are alive and quick to take legitimate advantage of every opportunity. We must not lag in this day and age of the world. It takes snap, energy, vigor and keen interest to cope with the competition, resulting in many positions of the greatest responsibility being filled by young men of ability, and with old heads on young shoulders.

Safety deposit vaults in Minneapolis have signed an agreement to close Saturdays at 2 p. m., instead of 4 o'clock.

EFFECT OF PANAMA CANAL ON PACIFIC COAST STATES.

George N. O'Brien, vice-president of the American National Bank of San Francisco, in a talk before the Idaho bankers at Couer d'Alene this week, was enthusiastic in his portrayal of the benefits which likely will accrue to the Pacific Coast states as a result of the completion of and opening for traffic of the Panama Canal. Mr. O'Brien prefaced his remarks by a brief summary of the various historical events leading up to the starting of work on this gigantic enterprise, and how it finally fell to the lot of the United States to inaugurate and to carry out one of the greatest engineering achievements known to science. It is estimated that ships of all the nations of the world will be able to pass through the canal two years hence. Mr. O'Brien believes that the completion of the canal will cause large numbers of immigrants to flock to the Pacific Coast, which ultimately will be reflected in increased business activity and prosperity. Another thing to be considered is the great saving in the cost of transporting freight, it being estimated that this alone will be more than sufficient to pay the cost of carrying out the project. By traveling through the Panama Canal ships going from Europe to California will travel 6,200 miles less than they do at present.

FIRST NATIONAL BANK, RICHMOND, VIRGINIA

The First National Bank of Richmond, Virginia, with capital stock of \$1,000,000, earned surplus of \$1,000,000 and undivided profits of \$275,000, is the largest and most progressive bank in the Virginias and the Carolinas. The original capital in 1865 was only \$100,000, but this has been increased from time to time as the business needs of the community required. During its existence of forty-six years the bank



FIRST NATIONAL BANK BUILDING
Richmond, Virginia



H. H. NUXOLL
Cottonwood
Treasurer Idaho Bankers Association

has paid its stockholders \$2,552,245, never having missed a dividend.

The First National Bank is strictly a commercial institution and uses its funds to foster worthy enterprises throughout the South. With its large resources it is in a position to extend its correspondents and depositors a banking service which it confidently believes will meet every legitimate requirement. It maintains a large force of competent clerks who are trained to handle the business of its patrons promptly, carefully and courteously. The officers are men of experience and keep in touch with commercial conditions throughout the section which the institution serves. The directorate is composed of eighteen representative business men of Richmond—men who have made a success in their private enterprises and have always stood well in the community both socially and financially. They represent practically all the lines of trade for which Richmond is famous.

WILLIAM C. CORNWELL BEFORE VIRGINIA BANKERS

William C. Cornwell of New York, editor of the "Bache Review," issued by J. S. Bache & Co. of that city, addressed the Virginia bankers this week at their convention held at Old Point Comfort. Mr. Cornwell chose for his subject "Country Banks' Control of the National Reserve Association and Benefits Derived." Mr. Cornwell pointed out that the impression generally prevails that country banks are under obligations to their city correspondents on account of money which they borrow from the city bankers in times of financial stringencies. Under the plan of the monetary commission they themselves can be relieved so easily through the reserve association that it will have a tendency to cause them to encourage rather than to discourage borrowing on the part of the country banks, thereby establishing the independence of the country banks. In advocating the adoption of the plan as suggested by the National Monetary Commission, Mr. Cornwell said that he believed that the sense of security because of the knowledge that the vast resources of the Central Association were back of every bank would have a tendency to inspire confidence in depositors in times of trouble. He said in part:

"The Central Reserve Association, with practically unlimited privilege of issuing currency in time of need, would be so great and powerful a remedy that the situation never

(OFFICIAL PUBLICATION)

Report of the Condition of

The Franklin Trust & Savings Bank

Located at Chicago, State of Illinois, before the commencement of business on the 15th day of June, 1912, as made to the Auditor of Public Accounts of the State of Illinois, pursuant to law.

RESOURCES

1. LOANS:		
Loans on real estate.....	\$ 75,550.00	
Loans on collateral security.....	154,889.46	
Other loans and discounts.....	339,794.12	\$570,233.58
2. INVESTMENTS:		
State, county and municipal bonds.....	5,000.00	
Other bonds and securities.....	94,600.00	99,600.00
3. MISCELLANEOUS:		
Accrued interest not collected.....	837.91	837.91
4. DUE FROM BANKS:		
State.....	94,663.62	
National.....	56,540.03	151,203.65
5. CASH ON HAND:		
Currency.....	10,353.00	
Cold coin.....	550.00	
Silver coin.....	2,943.30	
Minor coin.....	431.74	20,278.04
6. OTHER CASH RESOURCES:		
Checks and other cash items.....	50.64	50.64
TOTAL RESOURCES.....		\$842,203.82

LIABILITIES

1. CAPITAL STOCK PAID IN.....	\$200,000.00	
2. SURPLUS FUND.....		50,000.00
3. UNDIVIDED PROFITS.....	\$11,324.61	
Less current interest, expenses and taxes paid.....	8,140.51	3,184.10
4. DEPOSITS:		
Time certificates.....	6,090.96	
Savings, subject to notice.....	30,557.92	
Demand, subject to check.....	439,993.41	
Demand certificates.....	325.00	
Certified checks.....	481.00	
Cashier's checks.....	46,200.25	529,712.54
5. DUE TO BANKS, including certificates of deposit:		
State.....	12,679.63	
National.....	46,627.55	59,307.18
TOTAL LIABILITIES.....		\$842,203.82

I, Edgar F. Olson, Cashier of The Franklin Trust & Savings Bank, do solemnly swear that the above statement is true to the best of my knowledge and belief.

EDGAR F. OLSON, Cashier.

STATE OF ILLINOIS,
COUNTY OF COOK } ss.

Subscribed and sworn to before me this 10th day of June, 1912.
[SEAL] J. CHAS. BARBER, Notary Public

American Telephone & Telegraph Co.

A dividend of Two Dollars per share will be paid on Monday, July 15, 1912, to stockholders of record at the close of business on Saturday, June 29, 1912.

WILLIAM R. DRIVER, Treasurer.

CLASSIFIED SERVICE

RATE: TWO CENTS PER WORD

FOR SALE—Bank Stocks

We Have For Sale the controlling interest in several banks in the Northwest and requiring \$6,000 to \$20,000. No trades. Your inquiries treated in strict confidence. C. B. Enkema & Co., 236 Security Bank Building, Minneapolis.

SITUATIONS WANTED

Several Experienced Cashiers and Assistant Cashiers for country banks; every one well recommended; some can take stock if desired. C. B. Enkema & Company, 236 Security Building, Minneapolis.

could reach the plane of a panic. The very existence of this impregnable stronghold would dissipate all fear and make unnecessary the use, to a large extent of its resources. The fire would be put out before it had begun to blaze. And this would be the great benefit, surpassing all others to country banks and to all banks and to all business men if we should adopt this plan for reform of the currency and banking system of the United States."

Virginia Convention

The nineteenth annual convention of the Virginia Bankers Association was held on June 20th and 21st, concluding the sessions today, at the Chamberlain Hotel, Old Point Comfort. On the first day a committee on resolutions was appointed, after which President E. P. Miller of Lynchburg delivered his annual address, which was followed by reports from the treasurer, secretary, attorney, the executive council and of committees and groups. In the afternoon H. N. Phillips, cashier of the Peninsula Bank of Williamsburg, delivered a very able address on "Two Suggestions—not Popular, but Important," which was followed by a talk on "Agricultural Finance and Farmers' Viewpoints," by D. M. Gannaway of Buckingham county, and one on "A Higher Plane for Banking," by J. B. Perry, cashier of the Floyd County Bank. On the second day officers for the ensuing year were nominated, after which there was a talk on "Co-operation in Banking," by J. H. Peters, cashier of the Peoples National Bank, Gate City, and one on "Control of the National Reserve Association by Country Banks and the Benefits They Derive," by W. C. Cornwell, of J. S. Bache & Co., of New York, editor of the "Bache Review." In the afternoon Carroll Pierce, vice-president of the Citizens National Bank of Alexandria, spoke on "Two Problems of Interest to Virginia Bankers." The major portion of this session was devoted to a general discussion of matters relation to banking. At the session to-day E. St. Elmo Lewis, publicity manager of the Burroughs Adding Machine Company of Detroit, is to deliver an address on "Advertising to the Man in the Mirror," after which there will be a report of the committee on resolutions, the transaction of unfinished business and the election and installation of officers for the ensuing year.

Amusement features were not overlooked by the Virginia bankers. On Thursday afternoon at 5:30 o'clock a parade was given on the government drill grounds directly opposite the Hotel Chamberlain through the courtesy of Col. F. S. Strong of the coast artillery corps. In the evening there was a moonlight excursion. On Friday afternoon there was a trolley ride, making a trip to the Newport News Ship Yard, which proved very interesting to all those participating. On Friday evening the annual banquet of the association was held at the Hotel Chamberlain.

FIRST NATIONAL BANK OF PITTSBURGH

One of the oldest, strongest, and most progressive banks in Pittsburgh, Pa., is the First National Bank. This institution which was established as a state bank early in 1852, and celebrated its sixtieth birthday last January, was nationalized in 1863, being the first bank in Western Pennsylvania to obtain a national charter. There are not many older national banks in the whole United States, for its charter number was 48. For more than six decades the First National has been a vital factor in the business life and remarkable growth of the Steel City. The attainment of sixty years of honorable existence was celebrated by the completion of the tallest and newest skyscraper in Pittsburgh, at the corner of Fifth Avenue and Wood Street. At the intersection of these two most important thoroughfares of the city, the First National has stood during the most of its existence, and has been not only an architectural but also a financial landmark of the city. The First National Bank building is 26 stories high, and covers a

ground area of 9,600 feet. The main banking room is a magnificent, hall 75 feet square, whose graceful vaulted roof rises to a clear height of 50 feet, supported by a series of arches resting upon eight hexagonal columns of statuary marble. The walls also are of this choice stone, artistically ornamented with gold and blue, while bronze is lavishly used throughout the building.

In its long and uninterrupted career the First National Bank has extended its facilities in every direction, and is now in constant touch, through its direct correspondents, with the whole civilized world. In addition to providing every modern facility for domestic banking, it buys and sells foreign exchange, finances exports and imports, provides steamship reservations, letters of credit and travelers' checks, and makes translations of commercial correspondence for customers. Every department is in the hands of experts, and a staff of over one hundred trained employees is at the service of customers.

As a state bank the institution's capital was \$150,000, and this was increased to \$500,000 when the bank was nationalized. Successive increases followed and its capital is now \$1,000,000, with \$1,122,693.08 surplus and profits at the date of the last statement April 18, 1912. At that date its deposits were \$18,161,881.73 and its resources were \$21,313,434.47. The active officers are: Oscar L. Telling, president; F. H. Richard, cashier; T. C. Griggs, W. F. Benkiser and R. C. Masten, assistant cashiers. The Foreign Department is in charge of J. E. Rovensky, manager, and W. J. Frank, assistant manager. The directorate is composed of the following well-known financiers and business men: W. Harry Brown, Francis H. Denny, J. Rogers Flannery, James S. Kuhn, William S. Kuhn, Frank B. Nimick, George S. Oliver, L. M. Plumer, J. H. Purdy, Eugene S. Reilly, F. H. Richard, James R. Sterrett, J. J. Turner, and Oscar L. Telling.

A. C. TRUE BEFORE MARYLAND BANKERS

Dr. A. C. True, director of the U. S. office of experiment stations, department of agriculture, Washington, D. C., in speaking to the Maryland bankers this week urged the general establishment of agricultural education and vocational training as conducive to the welfare of the country. He said in part:

"It is the duty and it will be the great economic advantage of the state to provide a broad system of agricultural education for youths and adults. It should be the business of every good citizen, whatever his occupation, to foster and promote agricultural education, for agriculture is the fundamental industry on which human life and civilization depend. I therefore say to the Maryland Bankers Association, as I have said to the Southern Commercial Congress at Nashville recently and the great Commonwealth Club of San Francisco last summer, that the great economic forces of the country should unite to aid the farmers in the establishment of an effective American system of agricultural education."

NEW BANK FOR HOUSTON

The National Bank of Commerce, Houston, Texas, is being organized with a capital of \$500,000. It will be located in the quarters recently occupied by the Commercial National Bank at Main and Franklin Streets.

A. W. Gutridge, manager of the St. Paul Provident Loan Society, backed by the business men to make loans to salaried people, is dead. He was manager through the four months since the society was organized.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

left when the Roosevelt steam roller had passed along. This year the former "owner and operator," and his friends had it all handed back to them "with interest at 'steen per cent."

If the commerce court had decided its eight cases in favor of the shipper, this presidential year, would they be in their present predicament?

IN weeks like this, with the bank call out and seven state conventions, good addresses by home folks like S. E. Bradt and B. F. Harris necessarily "get the hook" for politeness if for no other reason.

"McWHO" is the name of the original of the picture which masqueraded in these columns as that of our good friend McNider of Mason City, Iowa. The first to guess it, inadvertently, was J. M. Dinwiddie of Cedar Rapids who writes:

"YOU say the picture was not that of McNider—but another 'Mc,' but you don't say McWho? Possibly it was McNudder? It not McNider or McNudder, then was it McNeeder? I am starting for a long distance Canadian trip but I am 'coming back,' sure.

"I BELIEVE you were built for your work. Surely your paper is universally liked, for go where you will you find a copy. It ought, for it's newsy, fresh and reliable, and—if it makes any mistakes—makes amends. I expect to see the next copy at Vancouver, B. C. I wish you success and increased usefulness.—J. M. D."

EVERY one in Iowa, and all over, will wish Col. Dinwiddie a pleasant and a safe journey. Yes, and he's likely to "come back" at those railing youngsters who "combined" him out of a place on the Big Council. They didn't know they had him beaten until it was counted off.

THE Colonel is as original and breezy in his bank work as in his side line of association politics. In enclosing some bank literature to prospective customers J. M. D. concluded thusly:

"If you were in receipt of as many letters and circulars from as many different banks as we are, you would at once notice a great similarity in all of them—a copying of each other's literature. At the same time you would notice an originality and freshness in all that comes from us that would appeal to you and impress you with our sincerity."

NOW you know why he likes THE CHICAGO BANKER so well. It isn't a tiresome reprint.

EXCHANGE BANK (J. S. Butler & Son) of Springville, Iowa, is a private bank with up-to-date tendencies. It lists (and pays taxes on) "\$75,000 capital, real estate \$100,000, and other resources \$100,000." Little wonder it has \$300,000 in deposits. It has "capital, resources and responsibility," and has been in business successfully for 33 years.

C. F. BUTLER is the president and Samuel James, Jr., is cashier. The president says: "Banks have been the means of making more successful business men than colleges. You may be a little too old to start to college, but you are just the right age to start a bank account with us."

WILLIAM McLEOD RAINES' story of cattle ranching, "Mavericks," has been issued in a neat illustrated duodecimo by the G. W. Dillingham Company. Both the hero and the heavy villain of this drama of the western plains are entangled in love with the same girl, and the war of wits between the

two results in numerous exciting and ingeniously devised situations. It is a good story, well told.

GETTING back to Iowa! You know those two crusty old bachelors who run the Peoples at Cedar Rapids—Ely and Burianek? Well, the spell is broken. Ely's married to a school chum of his sister, and that's how it happened. Next!

HAVE you noticed "who's here" on the Big Council and on the A. B. A. nominating committee for Iowa? McKee, Carpenter and Lyman Edwards respectively. Iowa will have a "solid" delegation this year "for Arthur Reynolds and good government."

CASHIER.

COL. FARNSWORTH AT NORTH DAKOTA CONVENTION

Col. F. E. Farnsworth speaking before the North Dakota Bankers Association said, in part: When the Irishman said that "Every man should be loyal to his native land whether he was born there or not," he meant that a Michigan man, living in New York, should be as glad to visit North Dakota as I am to-day.

It is on somewhat the same patriotic principle that 226 North Dakota bankers have added to the strength of the American Bankers Association that effort and enthusiasm which has so splendidly developed their own state association. It is largely to such loyal support on the part of the various state associations and their secretaries, that the American Bankers Association is the largest federation of bankers in the world, with a membership of 12,657. The secretary is not on the witness stand, but it is known that the senatorial spy-glass is searching for the haunts of the octopus, and while the fact that our headquarters are now six stories nearer Wall Street has not yet directed suspicion to the association as a money trust, it seems best to remove all possible occasion for distrust by voluntarily, but briefly, telling something about the American Bankers Association, and what it is doing.

First and foremost it is not a close corporation of bankers, by bankers and for bankers. The business man needs the banker as much as the banker needs the business man, and what benefits one must affect the interests of the other. If there exists in the public mind any division between the two terms it is a misfortune, which can have been occasioned only by the selfish individualism of a few, and the impression is quickly corrected by a knowledge of what is being done by the A. B. A. to conserve the business welfare of the country.

It was to co-operation that you North Dakota people pledged yourselves when on July 4, 1889 you met in Bismarck to frame a state constitution, and it is by co-operation that you have made your state a synonym for success. The National Reserve Association is but a new charter of independence for the business interests of the nation, which must be safeguarded from all prerogatives of privilege by the financial few if the rights of the many to prosperity are to be secured and maintained.

So, in closing, I bespeak for currency reform that measure of your co-operation which has federated your state association and the A. B. A. with those efforts for the common good of the country, which it has been my privilege briefly to outline for you this afternoon.

NEW ILLINOIS BANK BUILDINGS

The Bank of Latham contemplates the erection of a new bank building in the near future, to cost about \$8,000. The Illinois State Bank of Quincy, and of which J. H. Best is president, also will put up a new bank building, which will cost in the neighborhood of \$200,000.

BONDS PAYING 5 TO 6%

	To Net You
Spokane & Inland Empire R. R. 5s (1926)	- - - - - 5.00%
Virginian Railway First 5s (1962)	- - - - - 5.05%
E. St. Louis & Suburban 5s (1932)	- - - - - 5.25%
California Gas & Electric Un'g & R'g 5s (1937)	- - - - - 5.27%
Springfield (Mo.) R'y & L't 5s (1926)	- - - - - 5.50%
United R's St. Louis Gen'l 4s (1934)	- - - - - 6.00%
Street's Western Stable Car 5s (1916)	- - - - - 6.00%

Send for full descriptions of these and other Municipal, County, Railroad and Public Service Corporation Bonds—all thoroughly safe and adapted to the most advantageous investment of the funds of your institution. We shall be glad to reserve bonds for July delivery. Write us today.

D. Arthur Bowman & Co.

Third National Bank Building

ST. LOUIS, MO.

Travel in State To Kansas City



Burlington Route

GRAHAM & SONS

Bankers

Steamship & Agents
Insurance

Established 1857

Interest on Deposits—Accounts solicited
Money to Loan on Real Estate

Open Evenings—Hours 9 a. m. to 9 p. m.

661 WEST MADISON STREET, CHICAGO

American National Bank Louisville, Ky.

Capital and Surplus, \$1,000,000

LOGAN C. MURRAY, Pres.
CHAS. C. CARTER, Asst. Cash.

R. F. WARFIELD, Cashier
F. L. MOSELEY, Asst. Cash.

Unsurpassed Excellence of Service for Collections

ALL BRANCHES OF BANKING

1857



1912

ORSON SMITH - - - President	P. C. PETERSON - - - Assistant Cashier
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FRANK G. NELSON - Vice-President	LEON L. LOEHR - Sec'y and Trust Officer
JOHN E. BLUNT, Jr. - Vice-President	F. W. THOMPSON, Mgr. Farm Loan Dep't
J. G. ORCHARD - - - - - Cashier	H. G. P. DEANS - - - Mgr. Foreign Dep't

CAPITAL AND SURPLUS - \$9,000,000



*If You Desire to Collect Your Out-of-Town Items Promptly
send them to The National City Bank of Chicago*

Correspondence Invited

THE NATIONAL CITY BANK
OF CHICAGO

Capital - - - - -	\$ 2,000,000.00
Surplus and Undivided Profits	603,771.99
Deposits - - - - -	\$31,041,046.16

OFFICERS

ALFRED L. BAKER - - - Vice-President	DAVID R. FORGAN, President	HENRY MEYER - - - Assistant Cashier
H. E. OTTE - - - Vice-President	A. W. MORTON - - - Assistant Cashier	W. M. JARNAGIN - - - Assistant Cashier
F. A. CRANDALL - - - Vice-President	WALKER G. McLAURY - Assistant Cashier	R. U. LANSING - Manager Bond Dept.
L. H. GRIMME - - - - - Cashier	M. K. BAKER - Asst. Manager Bond Dept.	
W. T. PERKINS - - - Assistant Cashier		
W. D. DICKEY - - - Assistant Cashier		

Fourth Street National Bank
OF PHILADELPHIA

Capital - - - - -	\$3,000,000.00
Surplus and Profits	6,500,000.00

UNEXCELLED COLLECTION FACILITIES
CORRESPONDENCE INVITED

SIDNEY F. TYLER, Chairman of the Board	
E. F. SHANBACKER, President	R. J. CLARK, Cashier
JAMES HAY, Vice-President	W. A. BULKLEY, Asst. Cashier
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FRANK G. ROGERS, Vice-President	C. F. SHAW, Jr., Asst. Cashier

The Brandt Automatic Cashier

SAVES

all the bother
and worry of
counting and
picking up
small coins.

Saves 25% in
time.

Prevents

errors.

It's

automatic.

PRESS ONLY ONE KEY
PAYS MONEY



Pressing ONLY ONE KEY
Completes the Transaction

COSTS

less than
5 cents a day
to own.

Requires no
supplies — no
repairs.

TEN-YEAR
guarantee.

BRANDT CASHIER COMPANY
727 SO. DEARBORN ST. - - - CHICAGO

New Trains to ST. LOUIS

VIA THE

NEW ALL-STEEL TRAIN
DAYLIGHT SPECIAL

Leaves Chicago 10:02 a. m., arrives St. Louis (via Merchants Bridge) 6:02 p. m. New indestructible Steel Cars of Handsome Interior Finish. Every comfort and convenience will be found on this train.

NEW EVENING TRAIN
ST. LOUIS EXPRESS

Leaves Chicago 9:10 p. m., arrives St. Louis 7:24 a. m. An up-to-date train in every particular, with an early evening departure from Chicago.

New Midnight Train—DIAMOND SPECIAL

Leaves Chicago 11:45 p. m., arrives St. Louis (via Merchants Bridge) 7:49 a. m. Newly equipped throughout, with a late evening departure from Chicago. Stops made in both directions at South Side through stations—31st, 43d, 53d and 63d Sts. Observation Parlor Cars, Cafe Club Cars, Sleeping Cars. Free Reclining Chair Cars and Coaches.

ALL TRAINS ELECTRIC LIGHTED

TICKETS, FARES AND SLEEPING-CAR RESERVATIONS AT

ILLINOIS CENTRAL

City Ticket Office 76 W. ADAMS ST. Commercial National Bank Building
R. J. CARMICHAEL, D. P. A. Phone Central 6270

The Girard National Bank
OF PHILADELPHIA

Capital - - - - -	\$2,000,000
Surplus and Profits	4,716,000
Deposits - - - - -	46,275,000

FRANCIS B. REEVES
President

RICHARD L. AUSTIN
Vice-President

T. E. WIEDERSHEIM
Vice-President

JOSEPH WAYNE, JR.
Vice-President & Cashier

CHARLES M. ASHTON
Assistant Cashier

CHARLES F. WIGNALL
Assistant Cashier

To satisfactorily handle your business, you need a Philadelphia account

The CHICAGO BANKER

A Weekly Paper Devoted to the Banking
and Financial Interests of the Middle West

JUNE 29, 1912

Entered as Second-Class Matter January 15, 1903, at the
Post Office at Chicago, Illinois, under Act of March 3, 1879

10 CENTS A COPY

Woodruff Trust Company

Joliet, June 24.—There was incorporated in this city to-day the Woodruff Trust Company with a capital of \$250,000, of which George Woodruff, president of the First National of this city, is to be president; F. W. Woodruff, vice-president; E. R. Lewis, treasurer, and J. Merle Plant, secretary. These officers are identified prominently with the First National, and it is expected that the Woodruff Trust Company will be an allied institution. It has been organized expressly to handle amortised farm mortgages on the plan used by the credit foncier of France. The company will confine itself to the territorial limits of the state of Illinois and will not operate outside. This is the first strictly land credit bank organization in America, and the intention is to systematize the farm loan business of the state and to reduce materially the rate extended to farmers on farm loans.

This new bank seems to have complied in its plans with the requirements of the new committee appointed by the American Bankers Association at New Orleans to find a way by which farm loans may be had more cheaply and on longer time than they have been heretofore. At the present time Myron T. Herrick of Ohio and Edward Chamberlain of Texas are visiting the farm-loan sections of Europe collecting information for the great American Bankers Association with the view of offering a solution of the problem of financing the farmers at a lower rate. Mr. Woodruff is looked upon as a progressive in banking circles, and bankers all over the country will be interested in the success of the new trust company organized to handle farm mortgages.

GEORGE M. REYNOLDS ON BUSINESS CONDITIONS

George M. Reynolds, president of the Continental and Commercial National of Chicago, has the following to say in regard to business conditions:

"General business activity continues about the same as it has been during the past thirty days to six weeks; the volume in some special lines, notably steel and iron, having increased materially over sixty to ninety days ago. Many lines of business collateral to the iron and steel industry have shown more or less improvement, but business generally seems to be in about the same condition that has prevailed for some time. We have not as yet been able to notice any change in conditions which we can trace to political agitation, for the healthy physical condition and the generally good prospect for crops have been sufficient up to this time to overcome any bad effects which otherwise might have come as the result of such unusual political conditions. Every indication seems to point to a fair business during the fall months, with a probability that there will be some appreciation in interest rates during that period. People have become so accustomed to political contentions that they are not now paying the same attention to the present agitation in politics that

One Way of Keeping the Boy on the Farm



AS duly recorded in the strictly financial department of this paper, Farmer Joe Chapman, Jr., and Farmer George F. Orde live on adjoining acres at Minnetonka Bay. After Farmer Chapman had pursued and captured an escaped junior Jersey his little daughter remarked: "How do you expect to keep the boys on the farm, Father, when you can't do as much for the calves?" Farmer Orde has answered this question, and a Minneapolis artist has told the story in black and white. Orde would tie the boy while Chapman chased the calf. Very simple!

would have been given under the same conditions five or ten years ago. I believe that we can look toward the future of business with considerable assurance."

Fourth and First

Nashville, Tenn., June 24.—Stockholders of the Fourth and First National banks voted here to-day practically unanimously in favor of consolidating the two institutions. The title selected by the directors is "Fourth and First National Bank." The capital, assets and deposits will be combined in one institution under the management of the officials of the two institutions, except Mr. Watts, president of the First National, who has accepted the vice-presidency of the big Third National of St. Louis, which position he will assume actively on July 1st.

Mr. Watts has been in the banking business all his life, and for the past fifteen years has been president of the First National, which has prospered exceedingly under his administration. His connection with the Third National at St. Louis will make no change in the bank's policy, which will remain strictly a commercial institution, serving the interests tributary to St. Louis. It is believed in Nashville that President Charles H. Huttig will resume his duties at the Third National about September 1st.

GROUP 1 AT MOLINE

William G. Edens, assistant secretary of the Central Trust Company of Illinois, attended the meeting of Group 1 held at Moline on Thursday of this week. W. A. Scott, professor of political economy at the University of Wisconsin, addressed the convention on the recommendations of the monetary commission. Mayor M. R. Carlson of Moline made the address of welcome, which was responded to by Charles W. Boyden, cashier of the Farmers State Bank of Sheffield. Delegates were taken on board the steamer "W. W." for a trip down the Mississippi river, passing the site of old Fort Armstrong on Rock Island, now occupied by the government as an arsenal and small arms factory. The trip extended as far as Muscatine, where a stop was made, after which the delegates returned to Moline in time to catch the evening trains for home. O. F. Anderson, chairman of Group 1, and cashier of the Moline Trust and Savings Bank, acted as chairman of the entertainment committee.

BANK INCREASES DIVIDEND RATE

Directors of the Washington Park National Bank, at their meeting on June 25th, voted to increase the dividend rate of the bank to 7 per cent.

The Farmers State Bank of Perry, Texas, has been incorporated with \$10,000 capital.

Continental and Commercial National Bank OF CHICAGO

CAPITAL, SURPLUS AND PROFITS, \$30,000,000

Officers

GEORGE M. REYNOLDS - - - President
RALPH VAN VECHTEN - - - Vice-President
ALEX. ROBERTSON - - - Vice-President
HERMAN WALDECK - - - Vice-President
JOHN C. CRAFT - - - Vice-President
JAMES R. CHAPMAN - - - Vice-President
WM. T. BRUCKNER - - - Vice-President
WM. G. SCHROEDER - - - Vice-President

EDWARD S. LACEY
Chairman of Advisory Committee



Northeast Corner Clark and Adams Streets

Officers

NATHANIEL R. LOSCH - - - Cashier
HARVEY C. VERNON - - - Assistant Cashier
GEO. B. SMITH - - - Assistant Cashier
WILBER HATTERY - - - Assistant Cashier
H. ERSKINE SMITH - - - Assistant Cashier
JOHN R. WASHBURN - - - Assistant Cashier
WILSON W. LAMPERT - - - Assistant Cashier
DAN NORMAN - - - Assistant Cashier
FRANK L. SHEPARD - - - Auditor

Accounts of Banks, Bankers, Manufacturers, Merchants and Individuals Invited

Continental and Commercial Trust and Savings Bank

Capital \$3,000,000

TRUST, SAVINGS AND BOND DEPARTMENTS

Surplus \$1,000,000

OFFICERS

GEORGE M. REYNOLDS
President

JOHN JAY ABBOTT
Vice-President

GEO. B. CALDWELL
Vice-President

CHARLES C. WILLSON
Cashier

FRANK H. JONES
Secretary

WM. P. KOPF
Assistant Secretary

The Capital Stock of this Bank and the Capital Stock of the Hibernian Banking Association (\$1,500,000) is Owned by the stockholders of the Continental and Commercial National Bank of Chicago

McCOY & COMPANY Investment Bonds

We specialize in Municipal and Corporation Bonds suitable for the investments of State and Savings Banks, Trust and Insurance Companies, Fraternal Organizations, and Trustees of Estates

Correspondence and interviews invited
Circulars on application

105 South La Salle Street

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TRAVELERS SHOULD CARRY

K. N. & K.

Letters of Credit and Travelers' Checks

Available Everywhere

Your own Banker can supply them

KNAUTH, NACHOD & KÜHNE, Bankers

NEW YORK

LIEPZIG, GERMANY

Fort Dearborn National Bank CHICAGO, ILLINOIS



United States
Depository

Capital	-	-	\$2,000,000
Surplus and Profits	-	-	600,000
Deposits	-	-	27,000,000

Comparative Showing of Deposits

February 14, 1908	\$ 9,887,954.84
February 5, 1909	11,617,891.24
March 29, 1910	15,041,357.21
March 7, 1911	21,574,956.79
June 7, 1911	23,137,746.88
September 1, 1911	24,500,075.82
December 5, 1911	25,445,199.89
February 20, 1912	26,207,446.32
April 18, 1912	27,237,752.30

WM. A. TILDEN, President
NELSON N. LAMPERT, Vice-President
HENRY R. KENT, Cashier
J. FLETCHER FARRELL, Vice-President
GEORGE H. WILSON, Ass't Cashier
THOMAS E. NEWCOMER, Ass't Cashier
HARRY LAWTON, Mgr. Foreign Dept.
CHARLES FERNALD, Ass't Cashier
WM. W. LeGROS, Ass't Cashier

We particularly desire accounts of banks. Our officer in charge is personally acquainted with conditions in your section. We know your wants and wish to serve you.

Drovers Deposit National Bank OF CHICAGO

Capital and Surplus \$1,000,000

Has for twenty-nine years rendered Efficient and Quick Service to its Correspondents

Resources, Ten Million Dollars

Officers

EDWARD TILDEN, - President
JOHN FLETCHER, Vice-President
GEO. M. BENEDICT, - Cashier
J. C. MORRISON, Assistant Cashier
H. P. GATES, - Assistant Cashier

Directors

EDWARD TILDEN
AVERILL TILDEN
L. B. PATTERSON
WM. A. TILDEN
JOHN FLETCHER
GEO. M. BENEDICT
WM. C. CUMMINGS



Mainly About Banks and Bankers

HERE'S notice to Harris, Hamilton, and Edens that the rump convention at Orchestra Hall doesn't win the bet on the result of "the Chicago convention."

THE telephone and telegraph companies can tell you when the hall was rented and wires strung. It was no afterthought.

YES, and Roosevelt will run, too, if (with a big "if") Perkins, Gary and Munsey can finance the new party. That is the "feeling" the Colonel refers to.

HERE are three predictions written by George Harvey before the Chicago convention about the Colonel, and you are to say if they came true:

"IT is related of him by his long-time acquaintances that in his college days he loved to dance the whirling-dervish dance; loved it for two reasons: because it made him the center of the crowd, and because nothing else could happen in his immediate neighborhood while he was at it."

"HE has always liked that form of entertainment; liked anything that made him the cynosure of a crowd, the bigger the better, and suspended other proceedings while he was performing."

"IT is to dance the whirling-dervish dance that he has gone to Chicago. He will dance it for all he is worth, but whether he will succeed in suspending proceedings is not so certain."

FRED W. ELLSWORTH told the Washington bankers that "next to the question of exchange on country checks, I suppose there is no problem confronting the average banker that arouses more discussion than this one—'Does advertising pay?'"

ANSWERING his own question, Mr. Ellsworth said: "The city of Plainfield, N. J., in 1902, had a population of 15,000, with three banks, whose combined deposits were \$2,000,000. A new bank was started whose policy was radically different from that of the older banks, in that it believed thoroughly in advertising. Its success, which was almost immediate, compelled the other banks to abandon their old policy of silence, and since 1903 all the banks in Plainfield have been consistent and continuous advertisers."

"THE population of Plainfield in the ten years has increased 5,000, or 25 per cent, while the deposits in the banks have increased to over \$10,000,000 or more than 500 per cent. The vice-president of one of the banks in that city tells me that in his opinion 'this is conclusive evidence of the great value of good bank publicity.'"

N. E. FRANKLIN, president of the First National at Deadwood, uses pictures showing the prominent streets and buildings of his city on the reverse of the bank letter-heads, giving strangers a fair idea of what may be found in that thriving place. On the front

NEW YORK CHICAGO PHILADELPHIA BOSTON

Bayne, Ring & Co. Commercial Paper Bankers

H. W. LADEWIG, Chicago Manager

Harris Trust Building

Chicago

of the sheet above the date line is a view of the heart of Deadwood, and along the left-hand margin is a panel view of Spearfish Falls, near Deadwood.

SEVERAL state associations have strictly modern and up-to-date secretaries, but it remains for Texas and Missouri to show forth with a pair of beauties that are away ahead of time. Keyser has pre-empted May 20 and 21, 1913, for his convention and Hoopes has filed a first mortgage on May 14th, 15th and 16th of next year. Thus these two secretaries give notice of the dates fixed upon so that neighboring secretaries can conduct themselves accordingly with a weather eye on conflicting dates.

IN reality, this is the modern way of conducting a state bankers association. There are a few "reactionaries"—to quote Brother Bryan—who still let the hotels of the town where the convention is going to be held fix the date and allow the convention to come along any time between the Fourth of July and Christmas. Every man who cares anything about conventions, and who wishes to attend as many of them as possible, appreciates advance information on the subject.

MISSOURI and Kansas bankers heretofore have united in organizing convention trains. This year they will not get together on their way to Detroit until they reach Joliet. The east Missouri bankers will come up over the Wabash to that point, and the Kansas and west Missouri bankers will reach Joliet over the Santa Fé. From that point they will take the short cut to Detroit over the Michigan Central, and will not touch Chicago.

THE St. Louis train will leave on Saturday evening, September 7th, and will arrive in Detroit on Sunday afternoon, September 8th. The Kansas City train will leave enough earlier to connect with the St. Louis train at Joliet. Stops will be made at all of the principal points along both railroads for the convenience of bankers.

THE Chicago committee on transportation to the Detroit convention has not organized fully as yet, but is considering proposals from both the Michigan Central and the Wabash. The present plan is to make it a day-light trip—probably on Saturday, leaving Chi-

cago about 10 A. M., and arriving at Detroit about 4:30 or 5 o'clock.

THE most attractive proposition laid before the committee is that of the Michigan Central which offers to haul all the bankers on one train who wish to go, and to furnish at least three dining cars, with service in adjoining cars, if necessary, the one meal on board to be a regular "banquet on wheels."

THIS plan has appealed to all those who have been giving it consideration, and about all that remain to be decided upon are the fine points of the bill of fare, at a price fixed high enough to afford every delicacy of the season and strictly first-class service, with every guest having a seat at the first table, or as nearly so as possible.

A PLAN may be adopted whereby one ticket will cover transportation, Pullman seat and a place at the banquet table. In this case reservations will be made by tables so that those traveling together may eat together in comfort and without confusion. If you have any kick on this plan kindly notify the committee.

THOSE who already have agreed to serve on the transportation committee are Arthur Reynolds of Des Moines; W. G. Edens and J. Fletcher Farrell of Chicago; Nelson R. Greene of Moline; George F. Orde of Minneapolis; Oliver C. Fuller of Milwaukee; E. J. Bowman of Anaconda and W. D. Vincent of Spokane.

RESERVATIONS may be made on the Detroit train through any member of this committee or through any bank in Chicago.

CONTINENTAL AND COMMERCIAL NATIONAL, with its two allied institutions, now represents two hundred and thirty-five millions in deposits.

FIRST NATIONAL of Marquette, of which Louis G. Kaufman is president, has combined its statement in a handsome folder along with a short article on "The Value of a Checking Account." This would indicate that the folder is to be given a wider circulation than ordinarily.

GERMANIA NATIONAL of Milwaukee feels that "the growth of this bank is the best evidence that its policy and methods are in accord with the demands of present-day business needs," and says so prominently on its neatly printed folder issued under the last call.

UNION BANK AND TRUST COMPANY of Helena, under similar circumstances and for similar reasons, says: "The steady growth in the number of our depositors is evidence of public approval of our policy of safety and conservatism, which has been strictly adhered to."

HENRY S. HENSCHEN of the State Bank has returned from abroad, and will be pleased to note that the deposits kept climbing
(Continued on page 31)

RESOURCES
OVER EIGHT
MILLION
DOLLARS

COLONIAL TRUST & SAVINGS BANK

LA SALLE STREET, N. E. CORNER ADAMS, CHICAGO

JACOB MORTENSON, Vice-President
EMIL STUEDLI, Assistant Cashier
W. F. DOUGGETT, Assistant Cashier

LONDON CABELL ROSE
President

R. C. KELLER, Vice-President and Cashier
H. A. SADLER, Assistant Cashier
WM. J. FELDMANN, Assistant Cashier

CONVENIENT
EFFICIENT
COURTEOUS
SERVICE

Expecting to receive a fair compensation for its services, and without pretense of giving something for nothing,

The NATIONAL BANK of the REPUBLIC OF CHICAGO

tenders its offices to those who appreciate careful and prompt service and intelligent attention to details, believing that with its large list of correspondents and desirable connections at the leading commercial centers, it can be of real service to the business public.

JOHN A. LYNCH, President
R. M. McKINNEY, Cashier
JAMES M. HURST, Asst. Cashier
W. H. HURLEY, Asst. Cashier
A. O. WILCOX, Mgr. Foreign Exchange Dept.

W. T. FENTON, Vice-President
O. H. SWAN, Asst. Cashier
WM. B. LAVINIA, Asst. Cashier
WM. G. LEISNRING, Mgr. Bond Dept.

THE FIRST NATIONAL BANK OF CHICAGO

Invites the accounts of banks and bankers

The record of forty-eight years' consistent, conservative banking; the increase of capital and surplus to \$20,000,000 and the growth of deposits to over \$123,000,000, together with the service and facilities afforded, make this invitation worthy of careful consideration.

JAMES B. FORGAN, President

DIVISION "F" (BANKS AND BANKERS)

AUGUST BLUM, Vice-President
JOHN F. HAGEY, Assistant Cashier

R. F. NEWHALL, Assistant Cashier
G. H. DUNSCOMB, Assistant Cashier

FIRST NATIONAL BANK MINNEAPOLIS

CORN EXCHANGE

CAPITAL - \$3,000,000.00
SURPLUS - 5,000,000.00
UNDIV. PROF. 750,000.00

NATIONAL
BANK . .

OF CHICAGO, ILLINOIS

ERNEST A. HAMILL, President
CHARLES L. HUTCHINSON, Vice-President
D. A. MOULTON, Vice-President
CHAUNCEY J. BLAIR, Vice-President
B. C. SAMMONS, Vice-President

FRANK W. SMITH, Cashier
JOHN C. NEELY, Secretary
J. E. MAASS, Assistant Cashier
JAMES G. WAKEFIELD, Assistant Cashier
LEWIS E. GARY, Assistant Cashier

UNITED STATES DEPOSITARY

FOREIGN EXCHANGE

LETTERS OF CREDIT ISSUED

Charles H. Wacker
Clarence Buckingham
Edward A. Shedd
Edward B. Butler

DIRECTORS
Charles H. Hulburt
Edwin G. Foreman
Frederick W. Crosby
Chauncey J. Blair
Ernest A. Hamill

Martin A. Ryerson
Benjamin Carpenter
Charles L. Hutchinson
Watson F. Blair
Clyde M. Carr

The Experience of Many Years in Handling Estates

has qualified this Company to deal with every phase of trust service competently, economically, unfailingly. Its trained specialists in each department can do better and more exact work than can any one individual in general charge of an estate.

THE NORTHERN TRUST COMPANY CHICAGO

Capital, \$1,500,000 Surplus, \$1,500,000

DIRECTORS
A. C. BARTLETT MARVIN HUGHITT ALBERT A. SPRAGUE
WILLIAM A. FULLER CHARLES L. HUTCHINSON SOLOMON A. SMITH
ERNEST A. HAMILL MARTIN A. RYERSON BYRON L. SMITH



CO-OPERATE WITH US

IN GIVING YOUR SHIPPER CUSTOMERS THE BEST SERVICE ON THEIR TRANSACTIONS AT THIS MARKET BY MAINTAINING AN ACCOUNT WITH

THE LIVE STOCK Exchange National BANK OF CHICAGO

President M. M. Brown to South Dakota Bankers

Our gathering here to-day marks the twenty-first annual convention of the South Dakota Bankers Association. We are favored in having been invited to enjoy the hospitality of this thriving town of Belle Fourche, which is destined to become one of the most important points in this section of our state when it shall have achieved its destiny and become the center of a rich and prosperous community, living upon the fertile, irrigated lands watered by the magnificent ditch recently completed by the government at such a tremendous cost.

Our membership is steadily increasing and it is hoped that it will not be long before every bank in the state, which is not now a member, will join the association and aid in carrying on the good work which it is organized to accomplish. We have before us a bright future but it can only be realized by sustained effort and united action.

We bankers of this young state, still in its infancy, occupy a field which is rich in many natural resources, and which to be properly developed will require the active assistance of each and every one of us in our own particular locality, and we have it in our power to exert a greater influence in placing South Dakota upon a solid and substantial basis than any other body of men in the state.

Good, sound banks result largely from having good, sound customers, and to further the interest of such customers is an object which the bank should always have in view. With this in mind the association has appointed a committee on agricultural education and development, consisting of Isaac Lincoln of Aberdeen, W. S. Hill of Alexandria, and J. W. Campbell of Huron. Similar work has been undertaken by practically all of the bankers association in the northwestern states, and it is earnestly desired that the South Dakota association at this meeting shall appoint a standing committee, and see to it that such committee shall attend the conference of similar committees to be held in the Twin Cities during the month of August, and co-operate in every possible way in furthering and extending this excellent work.

Until within the last few years Western South Dakota, or practically all that section of the state lying west of the Missouri River, was known only as a stock country and was considered good for that purpose only, and entirely unfit for settlement. Conditions in this vast territory are now completely changed, and the transformation has taken place so rapidly that few people yet realize the new order of things and very many are not yet convinced that the change is of a permanent nature. All of the old time cattle outfits that used to run thousands of cattle upon the free ranges in this section have cleaned up and closed out their herds, and in place of the old open range the country is becoming thickly dotted with shacks, and in many cases with the more substantial improvements of the homesteaders who have cast their lot with us in the "Sunshine State," and who in spite of the drawbacks and hardships usually experienced by new settlers, and which were aggravated for the past two years by the unusual dry conditions prevailing, still have faith in

Booms agricultural education and farm development. Bank guaranty sentiment strong in the state. Opposes high interest rates and the giving away of exchange

the country, and there is every reason to believe that enough of them will remain on the land to make new conditions permanent.

Alfalfa, that comparatively new and wonderful forage crop, will without doubt prove to be to South Dakota what corn has been and is to Iowa and Nebraska. Our soil and climate



M. M. BROWN
Sturgis
President South Dakota Bankers Association

are both favorable to the growth of this hardy plant, which enriches rather than impoverishes the ground in which it grows. Alfalfa seed raised in the Black Hills district is considered the best in the United States. One Meade county rancher received in the year 1911 \$3,500 from the sale of such seed, and \$500 from the sale of hay, making a total of \$4,000 returns from a 100-acre field of alfalfa, and many other farmers in South Dakota did equally well in growing this same crop. Any rancher who secures a stood stand of alfalfa on his farm will increase the value of his land greatly, as it is conservatively claimed by recognized authorities that alfalfa will pay good interest on land values, ranging from \$50 per acre up.

Political matters, both national and state, are claiming more than the usual share of attention this year, and in South Dakota one of the popular clamors is for the enactment of a law for the guarantee of bank deposits. The average politician is ever ready to advocate any measure which tends to attract votes to him, and the depositing public would naturally like

to see all possibility of loss to them eliminated from the banking business, and undoubtedly this is an ideal condition toward which to work, but it is exceedingly doubtful if the desired end can ever be obtained wholly through legislation. I am inclined to think that greater and more lasting results can be obtained through intelligent and persistent efforts to elevate the standard of banking practices, coupled with a close scrutiny of those engaged in the business, and insistence upon the exercise of closer supervision on the part of the state and federal authorities.

Past experience has proved the state guarantee of deposits to be a failure in the East, where it was tried out many years ago, and if reports are to be relied upon the working of the law in Oklahoma is far from being ideal, while Kansas and Nebraska are still experimenting with the laws recently enacted by their legislatures, neither of which has yet been put to the severe test which is sure to come in time. Naturally, a banker cannot be expected to be disinterested in arguing the merits of this question, but let us remember that the best interests of the banker and the depositor are the same, and while their methods may differ it is a fact that they are both endeavoring to arrive at the same result, which is the placing of the banking business upon a safe basis.

Competition for business is one thing with which we all have to contend. A competitor who pays high rates of interest on deposits, gives away exchange, and in fact is willing to, and does, violate every principle of good banking for the sake of doing business is of no benefit to the community or to his own institution, but is a constant menace to the banker who realizes that in order to be successful, and sound, a bank must make legitimate profits, and who tries to conduct his business along safe and prudent lines. This is a truism which has been demonstrated so often in the past and has been brought to the attention of the bankers so frequently that it hardly seems necessary to repeat the warning. Volume of business properly obtained is all right, and under those conditions a bank may very reasonably take pride in the showing made, but if volume cannot be secured on a profitable basis it would be better to be satisfied to do less and do it right.

I want to urge upon the state association the advisability of insisting that group meetings be held regularly. While the provision has been made for these meetings, certain sections of the state neglect this matter. State meetings are beneficial but the greatest amount of benefit to the bankers in a given district will be obtained by annual meetings with brother bankers living in the same locality and doing business under practically similar conditions. Not only that, but group meetings held annually at centrally located points in the district comprising the group will naturally be better attended than will the state meetings where the distance to be traveled is so great and the expenditure of both time and money is such as to prevent many from being present who would like to enjoy the benefits which are to be derived from occasional association with men engaged in the same line of business.

The Fourth National Bank Of the City of New York

JAMES G. CANNON
President

CHAS. H. PATTERSON
Vice-President

SAMUEL S. CAMPBELL
Vice-President

E. W. DAVENPORT
Vice-President

CHARLES E. MEEK
Vice-President

DANIEL J. ROGERS
Cashier

CHARLES E. FOX
Asst. Cashier

EDWIN T. ROSS
Asst. Cashier

RAYMOND B. COX
Asst. Cashier

IN offering our service to banks and bankers, we place *their advantage* first. This principle is the foundation of the growth and success of this bank.

Our foreign department is in active operation for the further benefit of our customers.

CAPITAL AND SURPLUS, \$10,000,000.00



WACHOVIA BANK AND TRUST CO. WINSTON-SALEM, N. C.

With ample facilities and up-to-date methods this bank is located at the logical collecting and distributing point for the South Atlantic States. **CORRESPONDENCE INVITED**

Capital and Surplus \$1,595,123.61

Deposits \$5,222,665.86

Resources \$6,817,789.47

OFFICERS
F. H. FRIES
President
JAS. A. GRAY
Vice-Pres.
H. F. SHAFFNER
V.-Pres. & Treas.
T. S. MORRISON
Vice-Pres.
JAS. A. GRAY, Jr.
Sec. & Asst. Treas.

Organization and co-operation is the tendency in all departments of business activity, and I want to urge upon this association that active steps be taken looking towards the establishment of a comprehensive and practicable group system in this state. I believe that benefits far beyond what most of us realize would result from a move of this kind and that many of the evils from which we are now suffering could be done away with by organizing the bankers of the state in such a way as to insure their getting together with the brother bankers of their section at least once a year.

BRITISH GOOD ROADS ENTHUSIAST VISITS CHICAGO

W. Rees Jeffries, honorable general secretary of the London International Road Congress, and secretary of the road board of the United Kingdom, spent four days in Chicago last week. Mr. Jeffries bore letters of introduction to W. G. Edens, president of the Illinois Highway Improvement Association, and other Chicagoans interested in this most important subject. The officers of the Illinois Highway Improvement Association entertained Mr. Jeffries at a luncheon at the Chicago Athletic Club, after which a drive was made over our boulevard system and interviews had with the different engineers in charge of the park and boulevard systems. To Engineer White of the South Park board, Mr. Jeffries said he was pleased to note that in Chicago those having in charge the supervision of the park and boulevard systems seem to understand that it is not only necessary to construct roads after an approved fashion, but that it is necessary to plan for their maintenance after their construction, and that this seems to be accomplished in Chicago as in no other American city which he has visited. Charles M. Willets, manager of Armour & Co., extended the courtesy of the general offices of that company, and a trip through the yards was greatly enjoyed by the distinguished visitor. Mr. Jeffries expressed the hope that the different states of the Union and the principal municipalities will send engineers or other road experts to the international congress to be held in London in June, 1913.

A new banking institution capitalized at \$100,000 has been organized at Sioux Falls, S. D., with the following incorporators: Thos. Scanlon, W. C. Hollister, Fannie Hollister, Tore Teigen and W. H. Lyon, of Sioux Falls, Geo. T. Greeley of Chicago, and Robert Sohlberg, of Guthrie, Okla. Mr. Sohlberg is now president of the Guthrie National Bank, but will dispose of his interests there and make his residence in Sioux Falls.

South Dakota Convention

Belle Fourche, S. D., June 27.—The South Dakota Bankers Association has just concluded its twenty-first annual convention at this place. The convention was an unqualified success, and was very largely attended. The delegates on arriving on Wednesday morning registered with the secretary and secured their badges at the Kenefick Hotel. Convocation was held at one sharp at the Pearson Opera House, the meeting being opened by President M. M. Brown. After the invocation by the Rev. J. N. McCurdy, the address of welcome was delivered by Mayor J. S. Sauls of Belle Fourche, which was followed by the annual address of President Brown. At the conclusion of Mr. Brown's address the various committees of the association were appointed. The next event on the program was the report of delegates to the national convention, which was made by N. E. Franklin, president of the First National, and a member of the executive council of the American Bankers Association from South Dakota. F. C. Danforth, president of the Citizens Bank of Parker then read the report of the chairman of the executive council, and was

followed by President John Clay of the Butte County Bank of Belle Fourche on "A Call From the Wild." H. H. Stoner of Highmore made a very interesting talk on "The Relationship Between the Banker and the Farmer." The rest of the session was given up to general discussion, selection of county vice-presidents and of group officers, and any question which the members might desire to propound. An evening session was held commencing at eight o'clock, at which there was an address on "Good Roads and Finance" by the Hon. J. W. Parnley of Ipswich. This talk was illustrated with excellent views and was one of the features of a very attractive program. This was followed by a smoker, the visitors being the guests of the Belle Fourche bankers. On Thursday there was an automobile trip to the government irrigation dam. A practical illustration of irrigation was given. Automobiles were provided for everyone and the return was made to Belle Fourche in time for luncheon. In the afternoon of the second day there was a talk on "Pahasapa—Nature's Park and Mint of Gold," by A. J. Plowman, an attorney of Deadwood, who was followed by H. B. Craddick of Minneapolis and N. E. Franklin, who talked on the "Imaginative Side of Banking" and "Commercial Paper" respectively. Reports then were heard from the group chairmen, and five-minute reports of the annual meetings of each group and an outline of crop and banking conditions. After the reports of committees, officers were elected for the ensuing year, after which a meeting of the executive council was held at the Kenefick Hotel. In the evening the visiting bankers and their ladies were the guests of the Belle Fourche Commercial Club at a reception held at the Pearson Opera House, dancing and cards being provided for in the entertainment. The local bankers spared no efforts in their endeavor to entertain their guests, and everybody present voted them the most genial of hosts. The amusement of the visiting ladies was looked after specially by the ladies of Belle Fourche.

FINAL DIVIDEND PAID

The creditors of the defunct First National of Chariton, Ia., now are receiving a dividend of 4 per cent, the last which will be paid. It has been nearly four years since the bank became insolvent.

The board of directors of the National Produce Bank has declared the regular quarterly dividend of 1½ per cent, payable to stockholders of record of July 1, 1912.

Trust Company Service in New York

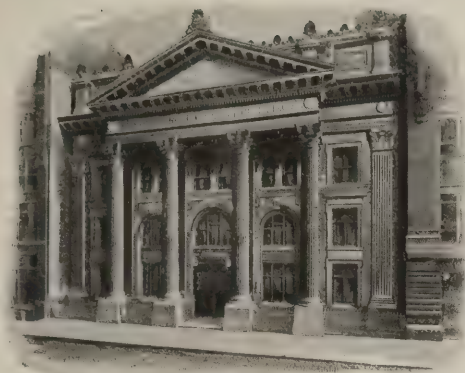
This company, with ample capital, large resources, and an efficient, and well-systematized organization, which dates back to 1864, has the ability and disposition to give good trust-company service.

Our various departments, including banking, foreign exchange, bond, trust, transfer, reorganization and collection, are well equipped with modern facilities for transacting business promptly and economically.

For these reasons we feel justified in cordially inviting the New York accounts of banks and trust companies.

Guaranty Trust Company of New York

Capital and Surplus \$23,000,000
Deposits - \$178,000,000



125 West Monroe Street
CHICAGO

Central Trust Company OF ILLINOIS

Capital, Surplus and Profits, \$6,000,000
Deposits - - - 42,000,000

Accounts of banks and bankers received upon favorable terms

Thoroughly equipped to handle all business pertaining to banking, and invites the accounts of banks, corporations, firms and individuals

Henry S. Henschen

Henry S. Henschen, cashier of the State Bank of Chicago, who recently has returned from a two months' trip to Europe, says that in Belgium and and Holland, where he visited first, there was every evidence of prosperity and enterprise, Holland, of course, being of old a very wealthy nation. Even in Sweden and Finland there are cities which in manufacture and other industries remind one of some of our thriving American cities. Mr. Henschen also visited Hamburg, which is a great big, thriving city, and was reminded very much of some of the large cities of the United States. In visiting Edam, Holland, which is noted for the celebrated Edam cheese, he noticed over one of the village banks the following sign: "Bank open every Wednesday from 10 to 3; 3 per cent interest paid on savings deposits."

OUT-OF-TOWN VISITORS

Hon. George B. Cortelyou, former secretary of the treasury, and now president of the Consolidated Gas Company of New York, spent all of last week in Chicago attending the sessions of the republican national convention. Mr. Cortelyou was the guest of his friend, Chas. G. Dawes, president of the Central Trust Company of Illinois. J. Cassel Ridgway, cashier of the District of Columbia National Bank, Washington, D. C., and a former Illinoisan, whose father was state treasurer and a resident of Shawneetown, attended the republican national convention, being a guest of National Bank Examiner Reeves. Paul W. Byrd, cashier of the First National of Lawrenceville, Ill., and who comes from a distinguished Indiana banking family at Vincennes, was one of the assistant sergeants-at-arms at the convention. C. H. Ireland of the Bank of Washburn (Ill.) and one of the real "privates," called on Chicago banking acquaintances last week. John B. Jackson, cashier of the Anna (Ill.) National Bank, and his business associate, former Congressman C. T. Chapman, banker, Vienna, Ill., visited Chicago recently. Mr. and Mrs. J. J. Beeby of Alton, Ill., were Chicago visitors last week. Mr. Beeby is the cashier of the banking firm of D. A. Wyckoff & Co., of Upper Alton, which is affiliated closely with the First Trust Bank of Alton. Mr. and Mrs. Beeby were on their honeymoon. Mr. Beeby was an assistant sergeant-at-arms at the republican convention.

FLORENCE AND HER TREASURES

Those who will spend any time in Florence during their summer vacation in Europe will do well to procure a pocket volume on "Florence and Her Treasures," by Herbert Vaughan, B. A., F. S. A., with seventy-six illustrations and notes on the pictures by M. Mansfield. While small, and with rounded corners, the book contains nearly 400 pages. The illustrations are full page, and of the finest quality. The publishers are The Macmillan Company, New York, and it is quite up to their high standard. The price is \$1.75.

J. Fletcher Farrell

J. Fletcher Farrell, vice-president of the Fort Dearborn National, has been in Baltimore this week helping to nominate the democratic candidate for president. Mr. Farrell expects to return to the city about Monday.

NEW CHICAGO BANK

A permit for the organization of the Auburn State Bank of Chicago has been granted to T. F. McFarland, M. P. Bransfield and W. M. Cline. The capital stock of the new institution is \$200,000.

Richmond, Va., June 26.—It is reported that negotiations are pending for the consolidation of the First National Bank and the National Bank of Virginia.

James M. Hurst

James M. Hurst, assistant cashier of the National Bank of the Republic of Chicago, has been out of the city this week attending the sessions of the convention of the South Dakota Bankers Association held at Belle Fourche.

NEW CHICAGO BANK ORGANIZED

The Southwest Trust and Savings Bank of Chicago was organized at a meeting of shareholders in the college room of the Hotel La Salle Thursday night, for the purpose of conducting a general banking business at West Thirty-fifth Street, Hoyne and Archer avenues. The concern is capitalized at \$200,000 and will begin business about July 20th with a surplus of \$20,000, and more than 250 depositors, according to reports at the meeting. With the organization of the bank was announced the retirement of Thomas J. Healy from active practice of the law to become its first president.

The bank is in the center of a thickly populated manufacturing district and has the support of the Continental and Commercial National Bank. A meeting of the directors will be held within ten days to choose the other officers and organize the working force of the new institution. The directors are Ralph Van Vechten, first vice-president Continental and Commercial Bank, who will be first vice-president of the new bank; Thomas J. Healy; John F. Smulski, president Northwestern Trust and Savings Bank; Henry Stuckart, city treasurer of Chicago; Edward R. Litzinger, M. Kotecki, Thomas McNery, Abel Davis, James Forbich, Daniel M. Healy, Charles Martens, John Bruehl, Phillip Summers and Daniel J. Cahill.

BANK CASHIER IS ARRESTED

Ironwood, Mich., June 26.—M. A. Fitzsimmons, cashier of the Bank of Ironwood, which recently closed its doors, was arrested last night charged with embezzlement of \$123,000 on twenty counts. He was given a preliminary hearing to-day and bail in \$10,000 was accepted.

NEW ILLINOIS BANK

A permit for the organization of the Farmers State Bank of Flat Rock, Crawford county, which will have a capital stock of \$25,000, has been issued to G. H. Parker, C. J. Weger and F. Kent.

J. HERBERT WARE

EDWARD F. LELAND

Ware & Leland

160 West Jackson Blvd.
Chicago

We issue weekly a very comprehensive review of the stock and bond market, together with a synopsis of the investment news for the week. This we will gladly send to

BANKERS

free of charge upon request.

Members:

NEW YORK STOCK EXCHANGE

CHICAGO BOARD OF TRADE

CHICAGO STOCK EXCHANGE

THE FARMERS' AND MECHANICS' NATIONAL BANK

OF PHILADELPHIA, PA.
427 CHESTNUT STREET

Capital - - - \$2,000,000.00
Surplus and Profits 1,460,000.00
ORGANIZED JANUARY 17, 1807
Dividends Paid - \$13,267,000.00

OFFICERS

Howard W. Lewis, President
Henry B. Bartow, Cashier John Mason, Transfer Officer
Oscar E. Weiss, Assistant Cashier

ACCOUNTS OF INDIVIDUALS, FIRMS, AND CORPORATIONS SOLICITED
PRESENT NUMBER OF STOCKHOLDERS, 930

STATE BANK OF CHICAGO

ESTABLISHED 1879

S. E. COR. LA SALLE AND WASHINGTON STS.

Capital - - - \$ 1,500,000
Surplus and Profits (earned) 2,270,000
Deposits, over - - - 25,500,000

OFFICERS

L. A. GODDARD, President
HENRY A. HAUGAN, Vice-President C. EDWARD CARLSON, Asst. Cashier
HENRY S. HENSCHEN, Cashier SAMUEL E. KNECHT, Secretary
FRANK I. PACKARD, Asst. Cashier WILLIAM C. MILLER, Asst. Secretary

YOUR CHICAGO BUSINESS RESPECTFULLY INVITED



IF YOU HAVE NO CORRESPONDENT

IN CINCINNATI

We will welcome the opportunity of proving to you the benefits which will accrue from forming a connection with us



N. E. Franklin Talks on Commercial Paper

Some time ago, I was present in an eastern vaudeville house, where one of the monologue artists came out and said: "Well, what shall I talk about?" A little urchin in the gallery shouted, "Talk about a minute and then beat it." Well, I know what I want to talk about, but do not know all about what I am going to talk about, but what I do know about it will, I am sure, not take many minutes in the telling.

The term, commercial paper, is used in defining notes given in mercantile transactions, and to be used for such transactions, and to be paid at maturity, without request for renewal. The term is differently understood in different sections of the country. In the East, it is what is known as business paper, in the South, notes given for taking care of the cotton crop, in the Northwest, elevator and wheat paper are considered prime.

During the past fifteen years, the business of trading in commercial paper has grown from an infant to a full grown industry, the larger cities each having many commercial paper or note brokerage houses.

A bank cannot, even under ordinary conditions, loan all its capital, surplus and deposits, excepting the amount required for reserve, to customers who expect to use the money, not as temporary, but permanent capital, necessitating the renewal of their notes. The greater percentage of a bank's deposits are payable on demand, and it therefore is desirable, and we might say imperative, that it have some sort of quick assets as part of its investments, which in time of stress can be used for raising money without disturbing the obligations of its clients. Commercial paper is one form of quick assets.

During my banking experience, I have been connected with banks dealing largely in the

Deadwood financier advises his fellows on a subject full of mystery and near to every banker's heart, at the Belle Fourche convention. Favors registration. Sees future menace to rates

purchase of commercial paper, and I have found on several occasions the wisdom of having this class of security in the bank's assets. In time of stringency, a bank's deposits, especially the commercial deposits, are certain to show a decrease, because business men cannot make collections, and must use their bank balances to meet maturing obligations. At these times, for a bank to be of service to the community in which it is located is no small matter, and I claim that carefully selected commercial paper most readily furnishes such means. This class of paper should always be bought, only after as carefully selecting the note broker as the paper itself. For the country bankers, it is always good judgment to have one of their city correspondents pass upon the paper for the reason that in these larger banks men are employed, who make this branch of the bank's business a specialty and this, in a manner, reduces the risk. Good business is the taking advantage

of opportunities, with the least possible chance of loss. Statisticians claim that over five billion dollars worth of commercial paper is being discounted by national banks alone, each year. I have not attempted to verify these figures, but presume they are correct and am only quoting them to convince you of the magnitude of the commercial paper business.

Much can be said of what kind of paper to purchase, whether it be single name, two name, secured or unsecured, but I am attempting to view this subject from the standpoint of a country banker, who really relies on the judgment of the broker, and the city banker, in the selection of this class of paper, so will refrain from dwelling on that phase of the argument, except to say to you, never buy the paper of an individual, firm or corporation who offer their notes for discount through two or more brokers.

It seems needless for me to go into any further details as to the merits of commercial paper, believing we are all agreed that it is one of the best quick assets a bank can have, but now comes the perplexing question, how are we going to make this good form of asset better? Business conditions have changed the past ten years, and the safeguarding of every form of business is being resorted to. While the sale of commercial paper has grown from a meager amount to the almost inconceivable figures mentioned a few moments ago, and the number of houses dealing in this class of payables now are numbered in the hundreds, nothing has been done to protect the purchaser, and I believe the time has arrived for action. Not that this business is bordering on dangerous lines, but its magnitude at present, unguarded, leaves an opening for dealings which might not stand strict scrutiny. How are we to safeguard commercial paper? I believe the

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registration of such paper the only practicable way. For instance, when a firm or corporation desire to discount their paper, they first present the same for registration to some bank or trust company, which should be selected by the American Bankers Association to act in such capacity. It is then delivered by the maker to his broker to be sold. It would only be a short while before every banker, before buying any commercial paper, would insist on its being registered, and if it was not, he would refuse to purchase. This procedure will, I believe, tend to restrict the excessive borrowing now being carried on by many makers of commercial paper. The system of registration of commercial paper has been adopted by several large concerns, they using one of their banks as a registrar. The contention of those that are using this form is that it extends to the maker and to the purchaser a degree of safety not otherwise afforded them. On the other hand, many representing banks and corporations will argue that it is bad form, and that it opens the avenue of publicity of one's business to the public. I believe this argument is the most consistent one advanced in favor of registration, and anyone selling their paper to the public must expect to keep the public advised as to their financial condition. This is an age of publicity, and when refusal of such publicity confronts you, you should refuse to buy.

Another argument that is being advanced against registration is that with the enormous amount of paper sold each year, the loss is practically at a minimum. For the sake of argument, I grant this, but ancient history does not make future history, so why not, while the horse is in the stable, lock the door and use every caution to prevent his being stolen. This argument of minimum loss was formerly used in favor of cotton bills of lading, until some forgeries were perpetrated and large losses made by banks. An effort, I believe, is soon to be made by the American Bankers Association to safeguard this class of securities. To justify my contention as to how little may be known under present conditions by either banks or note brokerage houses of the paper

bought or sold by them, I will give you some personal experiences. A couple of years ago, I was in New York, and while in conversation with the president of one of its largest banks, was asked if the bank I was with carried any paper of New York business concerns, and I mentioned several names that we were carrying at that time. One of the names mentioned was described by this banker, and using his own language, "None better, we are carrying a great deal of the same." I left New York two days later, and before arriving in Chicago, secured a morning paper and the first thing that greeted my eyes was the notice of a receiver having been appointed for the "none better" concern. Another time, while in Chicago, my bank wired me to purchase some "paper." I went to one of the Chicago most reliable commercial paper houses and selected the amount of paper we



P. C. KAUFFMAN
Tacoma
Secretary Washington Bankers Association

desired, when the broker said, "You have not selected one of the best pieces of paper we have for sale." I accepted his recommendation, adding that to my other selections. Two weeks later, a receiver was appointed for the "best piece of paper" concern. In both of these cases, it developed afterward that the exact amount of paper these concerns had discounted was not known to anyone but to themselves, and not to those who should have known. Registration will take care of this condition. Take a recent failure of a large wholesale house in one of the larger north-western cities. Their paper was scattered from Maine to California, and from Canada to the Gulf of Mexico, and believe some two hundred or more banks held this paper, ranging from \$1,000 to \$25,000. While strongly advocating the registration of commercial paper, I am not unmindful of the fact that it is not for me to say that this is the very best scheme to be adopted, but I do believe that nothing has been suggested that provides as an efficient safeguarding of commercial paper as registration. There is one more phase of this subject that I wish to bring to your attention. I have attempted to, in a brief way, impress upon you the excellent character of commercial paper as a quick asset, and also to make plain my argument how to circumscribe this asset with safety, but we bankers of the smaller cities and towns have a danger confronting us which we must look squarely in the face. The time is not far distant when note brokerage houses will be offering for sale the paper of our high-grade customers at a much less rate than these customers now are paying us. The banks of the larger cities will be your competitors to the extent that they will control your loaning rate, and eventually we will see a uniform rate of interest, extending all over the United States, but how are the banks doing business outside of the large centers going to meet these conditions? Our expenses are higher, our field is limited and our risks greater. It is a serious problem, but one that is standing on our threshold armed with commercial weapons and arguments. Are we going to contest it, and if so, how?



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CAPITAL ONE MILLION DOLLARS



ILLINOIS BANKING NEWS

J. M. Mitchell, president of the American National Bank of Mt. Carmel, has sold to R. I. Bailey, president of the First National of Norris City, a controlling interest in his bank at Browns. Mr. Bailey is a man of large means and his departure from Norris City greatly is to be regretted. Under Mr. Mitchell's management the bank at Browns has had a successful career.

Monmouth Banks Thriving

As shown by the recent call of the comptroller, national banks of Monmouth are in a thriving conditions. The Peoples National shows loans and discounts of \$640,252.32; cash on hand, \$227,054.45; resources, \$945,004.77; deposits, \$724,551.87. The Second National shows loans and discounts of \$602,947.36; cash on hand, \$203,794.39; resources, \$916,841.75; deposits, \$641,614.41. The National Bank of Monmouth has loans and discounts of \$1,145,000; resources of \$1,700,000; cash on hand \$280,000 and deposits of \$1,073,000.

John L. Hamilton

Hoopston citizens feel very much aggrieved over the fact that the Chicago papers have persisted in referring to John L. Hamilton as being from Watseka, instead of from that thriving city. Mr. Hamilton took a prominent part in the affairs of the republican national convention. He is one of the best posted men in the Middle West on the financial banking system of the country.

A Clever Swindle

A clever swindle, whereby a man from Chicago sold to several prominent Tazewell county farmers a hospital which he claimed to own, but which subsequent developments proved was a myth, is alleged to have been consummated in Bloomington. The purchasers paid \$13,000 in cash towards the purchase of the hospital, and the balance was made up of notes held by the Central National Bank of Peoria. A bill for an injunction recently has been filed asking the court to restrain the bank from collecting the notes and from disposing of them in any way. The court also is asked to turn over the papers to the complainants.

Illinois Banking Notes

C. H. Turner and H. W. McClure of Atlanta and Thomas Ryan of Lincoln visited Middleton on Friday last. They attended a

meeting of the directors of the Farmers State Bank, which has declared a dividend payable July 1st.

The First National of Princeton is inaugurating a Christmas Savings Club plan.

"The Rock Island Union" is another good roads enthusiast. They state that Illinois is one of the foremost producing states in the Union, and that there is no reason why it should be behind in the matter of good roads. They endorse the proposed plan of the Illinois Bankers Association.

Palmer W. Halsey, who recently defrauded the Ridgely National of Springfield out of something like \$575, has been apprehended and brought back to Springfield. His arrest was effected by the Burns National Detective Agency, who located the alleged swindler in Kansas City.

J. W. Price, president of the First National of Allendale, died at his home in that city at about noon on June 19th. Mr. Price owned several hundred acres of land in the northern part of Wabash county, and was one of the most prominent business men of that section of the state.

J. C. Scheule, a teller at the Nokomis National Bank, has resigned to accept a position as manager of the Reynolds Wire Company at Dixon. His many friends will miss him greatly, but heartily wish him success in his new undertaking.

The Farmers State Bank of Cuba is making rapid progress in the remodeling of its

banking quarters, which it is said will present quite a change after all the work has been completed. The Peoples Bank of Lexington, which is erecting a new building, is making substantial headway in the construction.

Freeport banks, according to information contained in statements issued under the recent call of the comptroller, are in a very flourishing condition. The State Bank leads in the matter of deposits, having \$1,230,947.81, and is followed closely by the First National which has \$1,159,270.49.

James A. Watts, vice-president of the First National of Nashville, Ill., recently was married to Miss Hedwig Lutz of the same place. The couple will spend their honeymoon in Colorado.

The Johnston City State Bank opened for business on June 19th. Peter Wastier is the president; George L. Gahm is cashier and J. J. Gahm assistant cashier.

State Savings and Trust and the Union National of Kewanee have decided to consolidate. Great satisfaction is expressed over the proposed change.

J. W. Orr, a former banker of Tuscola, is very ill with tuberculosis. He recently was taken from his home in Vinita, Okla., to Denver in the hope of prolonging his life. Since leaving Tuscola he has accumulated a great

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deal of money, and now is reputed to be almost a millionaire.

Newman is to have a new bank. It is said that \$55,000 already have been subscribed towards the organization of the new institution.

It is expected that a new bank soon will be organized at Witt, making a second bank for that thriving place. The capital will be the same as that of the Oland National Bank, the institution which was established several years ago in that rapidly growing city. It is said that C. H. Rolston is to be the cashier of the new bank.

TRUSTWORTHY REPLIES TO FINANCIAL QUESTIONS

"The Readers' Service Department" of Lippincott's Magazine offers its services, without charge, to all readers who desire information upon any financial topic. All inquiries are regarded as confidential, but the privilege is reserved of publishing, unsigned, inquiries and answers which are of general interest. The department is conducted by Edward Sherwood Meade, who also contributes a financial article each month, that in the July issue being on "Industrial Bonds." Among other interesting things, he tells us:

"Even the patent monopoly is subject to such conditions and limitations as to render it of little value in furnishing security for bond issues. A patent expires at the end of seventeen years. The originality of the invention must be tested in court before the patentee can be certain of legal protection in his right. If the invention proves valuable, there are always men or corporations who will attack its originality in the hope of either invalidating the invention in whole or in part, or of receiving money to withdraw their claim. A recent illustration is the invention of the Taylor-White process for the manufacture of tool steel, from which the owners, for a number of years, drew a large income, but which was finally declared to be non-patentable. In this day of accumulated knowledge, it is next to impossible to hit upon something which is

absolutely new. Somewhere in the world—it may be in some obscure laboratory, or in a corner of some workshop—the most promising invention has been at least suggested, and a suggestion of anticipation is enough for a contest.

"The value of a patent, moreover, is constantly threatened by the danger of substitution. The end desired may be reached by some other road than the one upon which the patentee has the exclusive right to travel. As soon as the value of a patent is proved, men set to work upon the problem which it has solved in the endeavor to find some other solution, and it is but seldom that one of them does not succeed. The writer knows of a case where a patent was granted for an improvement in a certain device, in which the only change was the substitution of a weak for a strong spring. As a basis for the security of investment, a patent is worthless. Save in the most exceptional cases, no well-informed investor would buy a bond of a company whose earnings were dependent on the monopoly of a patent."

OHIO BANKER TO BE EXPANDED

Columbus, O., June 24.—Secretary S. B. Rankin of the Ohio Bankers Association has secured the services of a talented newspaper man, Harry P. Brandon, to take full editorial charge of the official organ of the association. Mr. Brandon is city editor of the Ohio State Journal, and is well known in newspaper circles all over the state. Mr. Rankin describes him as a "live wire." During the past week he was in Chicago attending the republican national convention and picking up tips and pointers for the expansion and for enlarging the field of usefulness of the "Ohio Banker."

MICHIGAN BANKERS ELECT OFFICERS

Benjamin F. Davis, president of the City National of Lansing, has been elected president of the Michigan Bankers Association for the coming year, at the final meeting of the 1912 convention here. Vernon T. Barker, president of the Home Savings Bank of Kalamazoo, was elected vice-president for Michigan of the American Bankers Association. The 1913 convention will be held one year from now at Lansing. Other officers elected were: vice-president, George E. Lawson, Detroit; second vice-president, James R. Wylie, Grand Rapids; secretary, Mrs. H. M. Brown, of Detroit; attorney, Hal H. Smith, of Detroit; treasurer, James M. Rose, Benton Harbor; member executive council American Bankers Association, Dudley E. Waters, Grand Rapids; delegate to the nominating committee of the American Bankers Association, H. B. Weber, Ionia.

The Cat Spring State Bank of Cat Spring, Texas, has been organized with a capital stock of \$10,000.

The Nebraska State Bank of Ord, Neb., has begun business with a capital of \$25,000. The incorporators are O. Grothan, C. Bradley, and H. B. Vandecar.

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BUILDING OWNED BY THE BANK

MILWAUKEE

NEWS LETTER BY CHALMER B. TRAVER

WISCONSIN

The new home of the Second Ward Savings Bank on the triangle bounded by West Water, Cedar, and Third streets, is fast nearing completion and will be ready for occupancy, the officers believe, by September, despite the delay occasioned by the past severe winter. The building conforms to the triangular shape of the property with a 152 foot frontage on West Water Street, 153 on Third Street, and 88 feet on Cedar Street. The structure is two stories in height with Doric columns running from the sidewalk to eaves on all sides. The hand-carved stonework is the richest and most profuse of any building in the city. The main entrances will be on both West Water and Third streets. A mezzanine floor extends about two sides of the interior, leaving the main concourse unobstructed, however, from floor to roof. The floors will be of tile and marble and the walls of marble and stucco. The vaults will rest on concrete foundations erected independent of the building foundations.

One of the features of important local interest about the new building is the fact that all the work on it was let to Milwaukee contractors and that Wisconsin raw materials were used wherever possible.

August O. Paunack

August O. Paunack, formerly cashier of the Commercial National, Madison, has been appointed assistant cashier of the Second Ward Savings Bank. Joseph Lademann becomes as-

sistant manager of the Ninth ward branch. Mr. Paunack, one of the younger generation of state bankers and actively identified with the work of the W. B. A., began his banking career in Madison as a messenger for the Bank of Wisconsin, finally becoming manager of the west side branch of that institution. When the Commercial National was organized in 1908 he was elected cashier and director of the new institution. Mr. Lademann has been in the employ of the Second Ward Savings Bank in various capacities since 1888.

New First National Bank Building Started

The first steel and concrete caissons used in construction work in Milwaukee are now being sunk for the foundation of the new sixteen-story building of the First National Bank. Forty-six of these piers are now in course of construction by a corps of 150 men, working day and night shifts. D. H. Burnham & Co., Chicago, the contractors, expect to complete the building by May, 1913.

Frederick Kasten

Frederick Kasten, vice-president of the Wisconsin National Bank, is recovering from a serious operation undergone at Milwaukee Hospital last week.

W. P. Bishop Gives Favorable Report

With an encouraging report on the wheat and rye crop for 1912, W. P. Bishop, president of the Milwaukee Chamber of Commerce, returned to the city Tuesday from a trip

through the state. "Small grains look better now than ever before," said Mr. Bishop. "While it is hard to say as yet how the barley crop will turn out, I believe there will be as great a yield as last year. Wheat in Wisconsin is looking good and rye promises an equally large crop."

"Forward Wisconsin" Movement

Secretary George D. Bartlett of the Wisconsin Bankers Association is sending out bulletins this week to all the bankers of the state, asking their support of the "Forward Wisconsin" movement as outlined in the constitution of the Forward Wisconsin League, of which he is treasurer. It is the aim of the league to enlist the majority of the state bankers in the ranks of its membership, and to co-ordinate the present activities of the Wisconsin Bankers Association in encouraging crop improvement with the efforts in the same direction of the new organization.

Sheboygan Bank Reopened

Bank Commissioner A. E. Kuolt went to Sheboygan on Wednesday to be present at the reopening of the German Bank of Sheboygan, which closed several weeks ago following the sudden death of its president, Frederick Karste.

Record Hay Crop

The probability of a record hay crop this year is reported from Bruce, where it is said crop conditions, with the exception of corn,



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R. N. McMYNN
C. C. YAWKEY

are better than ever before. Clover, it is predicted, will cut three tons to the acre, and the experimental alfalfa fields are said to be doing so well that the farmers contemplate devoting twice as much land to this crop in 1913.

SECRETARY KAUFFMAN AT TACOMA

In making his annual report at the convention of the Washington Bankers Association this week, Secretary Kauffman attributed the phenomenal success of the state association to the fact that great care has been used in the selection of its officers, the past presidents being among the ablest financiers of the nation. Not a single bank failure has occurred during the past year under the admirable banking law of the state. The failure of a number of private banks, however, suggests the advisability of amending the state law so as to put all persons doing a banking business under state supervision and inspection. The present membership number 385, which is the highest in the history of the organization. Mr. Kauffman believes that they have reached the point where it now is necessary to depend upon the organization of new banks for an increased membership. Almost every bank in the state is a member of the association. The protective committee has done very efficient work during the year just ended, having succeeded in arresting a number of bank swindlers. The executive committee at its February meeting authorized the secretary to renew the contract with the Burroughs Adding Machine Company, whereby members are enabled to purchase adding machines at ten-elevenths of the list price at a saving of from \$34 to \$50 per machine, resulting in an annual saving of over \$2,500. A large percentage of the members have taken advantage of the time lock contract, by means of which their time locks are cleaned and guaranteed for \$9 per annum per lock, or an annual saving of from \$1 to \$6 per lock. It is expected that an agreement soon will be signed whereby every member of the association can purchase typewriters at a heavy discount. The secretary pointed out that the saving effected by these contracts alone is more than sufficient to pay the cost of membership in the association. Negotiations also are pending for the consummation of a contract whereby it will be possible to

write burglary policies through the secretary's office. The secretary also reported that action had been taken endorsing the famous "Blue-Sky" law of Kansas, and recommending that the legislative committee take steps to bring the matter before the state legislature and to urge the passage of a similar law for Washington. The association lost two member by death during the past year—L. J. Pentecost, president of the Pacific National of Tacoma, former treasurer and a member of the executive council, and H. W. Smith, cashier of the Olympia National, a former member of the executive council. This is the fourth time that the convention has been held in the city of Tacoma.

NORTH CAROLINA BANKERS AT MOREHEAD CITY

Morehead City, N. C., June 28.—The North Carolina Bankers Association has just concluded its sixteenth annual convention, which was held in the Atlantic Hotel of this city, starting on June 26th. On Wednesday evening the convention was called to order by President J. C. Braswell of Rocky Mount. The address of welcome was delivered by W. L. Arendell of Morehead City, and the response was made by W. S. Blakeney, president of the Bank of Union, Monroe. President Braswell then delivered his annual address, after which the bankers listened to the report of Secretary and Treasurer W. A. Hunt of Henderson. The secretary reported 348 banks as belonging to the association—a net increase of eight over the preceding year. There still are a number of banks in the state which are not members of the association. The members were urged to use every effort to induce these non-members to join, and to point out to them the advantages which they are missing by staying out of the fold. The association is in a prosperous financial condition. Announcements were made, after which the meeting adjourned, and was followed by an informal reception. The second day reports of delegates to the convention of the American Bankers Association were heard, also reports of standing committees. There were addresses by William Reed, assistant cashier of the City National Bank, New York; B. F. Harris, president of the Illinois Bankers Association, and the appointment of committees. To-day Hon. Lee McClung, United States treasurer at Washington, delivered an address. New

business then was discussed, after which reports of committees were heard, and the election and installation of officers for the ensuing year. This evening at 8:30 o'clock a banquet was held. Delegates attending the convention were invited to open a general discussion of each paper after it was read, and to ask the author questions on any points where there was a difference of opinion.

NEW TRUST COMPANY FORMED

Pittsburgh, Pa., June 24.—The Dominion Trust Company, a new banking institution, succeeds the Guardian Trust Company, which was organized in 1903. The new company continues the business of the Guardian Trust Company, at the latter's address, without interruption. The Dominion Trust Company has an authorized capital of \$500,000, which will be increased to \$1,000,000 or more later. George E. Reynolds is president and O. S. Decker, first vice-president and chairman of the board of directors. Mr. Decker was president of the Guardian Trust Company. In addition to the regular banking business the company will make a specialty of acting as trustee under corporation mortgage bond issues, and as registrar of stocks and bonds.

DEPOSITS IN PITTSBURGH BANKS

The twenty-nine national banks of Pittsburgh, Pa., in response to the comptroller's call, show total deposits of \$217,159,473, the largest in their history, comparing with \$211,765,105 on June 7, 1911, and with \$217,026,493 on April 18, 1912. The surplus and profits of the twenty-nine banks on June 14th stood at \$32,137,118, compared with \$31,481,512 on June 7, 1911, and with \$31,949,518 on April 18, 1912. The reports of the state banks and trust companies of Pittsburgh, on May 10th last having shown record deposits, the financial institutions of Pittsburgh now have the largest deposits in the history of the city.

Alfred L. Seligman, brother of Isaac N. Seligman, head of the banking firm of J. & W. Seligman & Co., was instantly killed Monday evening when his automobile collided with another one.

L. H. Gebhart has sold the controlling interest in the Wilson County State Bank of Fredonia, Kan.



MECHANICS-AMERICAN NATIONAL BANK OF ST. LOUIS

CAPITAL \$2,000,000

SURPLUS \$2,500,000

Superior Facilities Offered to Correspondents

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G. M. TRUMBO, Assistant Cashier
G. L. ALLEN, Assistant Cashier

P. H. MILLER, Assistant Cashier
C. L. BOYE, Assistant Cashier

St. Louis

**Southwestern reserve city news and gossip
—Special correspondence concerning also
the tributary territory, by J. Vion Papin**

St. Louis, June 26.—Outside of a slightly better demand from the country, the past week was marked by absolutely no new feature in the local monetary situation. The big local merchants and manufacturers are marking time, or in other words, filling immediate needs, without any effort whatever to expand or seek new enterprise. Banks and merchants, however, are all primed and ready for the signal, which will announce the return of activities, and can fall in line and push ahead with strong sinews. The recent statement showed an exceptionally strong position for St. Louis banks and trust companies, and while undivided profits have not grown or waxed fat, the period of conservatism has served to clean house, and it is doubtful if this region was ever before in fitter form to meet an era of real prosperity. Much depends upon the crop results, even more than on the political issue, and at this stage of development prospects are excellent. In the Central West there has been a bit too much moisture, and not enough growing weather for corn, but aside from its being late by about ten days or two weeks, the corn crop is very promising. Small crops are going to be splendid, fruit in the Ozarks, for instance, indicating the largest yields in years. The hay yield will run well above the average, and while wheat is behind in the middle states, it will show up bumper-wise in Texas, Oklahoma, parts of Arkansas, Kansas and Nebraska. Labor is for the moment at rest, and nothing from that source is apprehended in the near future. Country banks report some buying by merchants in excess of routine, and complaints are more of apathy than poverty in all the principal agricultural districts. Locally, the security market continues dull, but there is no disposition anywhere to liquidate, and a good undertone of strength has been maintained throughout the present month, with slight gains in certain instances. There is a fair investment inquiry for bonds and high-grade banking stocks. With the conventions out of the way it is believed the first step for general betterment will be passed. From now on it will be largely a matter of crops and weather.

Figures on the Call

According to the consolidated statement of the forty-three banks and trust companies, members of the St. Louis Clearing House Association, just compiled by Manager Hoxton, total deposits at the close of business on June 14th were \$317,436,576. This is a sharp drop under the previous statement, but a gain of \$2,914,673 as compared with June 7, 1911. Total resources aggregated \$422,099,390, a gain of \$4,624,369 over last year. Total loans were \$236,-

355,969, an increase of \$9,448,264 over 1911. Cash and exchange totaled \$112,076,500, or something like \$5,000,000 less than last year. On the other hand, bonds and stocks increased \$1,606,844, and the circulation of the nationals gained \$933,079. The total capital of the institutions was \$41,550,000 and surplus and undivided profits \$43,903,075. Institutions having deposits of more than \$10,000,000 were as follows: Boatmens Bank, \$14,066,387; German Savings Institution, \$10,756,114; St. Louis-Union Trust, \$30,592,142; Merchants-Laclede National, \$14,714,526; Mercantile Trust, \$24,013,955; Mississippi Valley Trust, \$19,639,731; National Bank of Commerce, \$59,793,338; State National, \$10,748,466; Third National, \$32,985,970, and Mechanics-American National, \$31,207,693.

Woman is Bank Heroine

Mrs. Sadie Wood, an attractive young woman of Mammoth Springs, Arkansas, has been the recipient of endless praise and congratulations upon her heroic conduct in the recent holdup of the Citizens Bank of Mammoth Springs, of which she is assistant cashier. A tip was received by the bank that a holdup had been planned, and Mrs. Wood volunteered to stand watch alone in the building at the time when the job was to be executed. This she did, while a posse, well armed, was concealed in the bank vault. As per program the robber entered and at point of pistol made Mrs. Wood hand over the cash. As the man turned to leave the bank the young woman gave the signal agreed upon, and out came the deputies, who without preliminary parley, plugged up the holdup gentleman full of lead.

Commerce vs. Commerce

The National Bank of Commerce of Kansas City has instituted suit against the National Bank of Commerce in St. Louis to recover \$7,488, which the plaintiff alleges it lost because the St. Louis bank failed to wire non-payment

of two drafts drawn by the Citizens Bank of Eureka Springs, Ark. The drafts were in favor of the Kansas City institution and drawn on the Commerce of St. Louis. B. F. Edwards, president of the National Bank of Commerce in St. Louis, says the suit is the result of a misunderstanding.

T. R. ATKINSON BEFORE NORTH DAKOTA BANKERS

T. R. Atkinson, state engineer for North Dakota, in talking before the bankers of his state last week on the subject of good roads, urged co-operation upon the part of the banks in this most important matter. He said: "You as an association can exert a wonderful influence for better roads in our state, and better roads mean a greater prosperity for the farmer and for you. Each individual member of this association should be a missionary in this movement for better road conditions, just as you are for better farming methods. Each one of us as a citizen of this commonwealth owes to ourselves, to our neighbors and to our children the exerting of our influence for this great movement for better roads. I can show you localities in this state where one enthusiastic good roads advocate has so impressed his enthusiasm upon road officials that the results obtained are the wonder and delight of all who travel. Better roads is a local issue now in many of our communities and the roads of any locality reflect the degree of public enterprise in that locality. I am led to believe that a great obstacle to the improvement of our highways is the selfishness which leads us to think we are best taking care of ourselves when we refuse to do more than our share of a work having for its object better conditions for the whole community. Some of us conclude that when we do more than our neighbor in any public enterprise we have lost that portion of our labor which is represented by what our neighbors did not do. This is a false conclusion, but unfortunately the common conception of human affairs. A man unwilling to do more than his share in a majority of cases does less than his share and often is a burden to society. Let us then as bankers, farmers, business or professional men, stop and consider whether we shall stand in the pathway of progress in this matter of improved conditions on our highways, or shall we individually do our part in forwarding this great movement by insisting that the men we choose to represent us in the legislature shall be men who, having the welfare of our state at heart, will cast their vote and influence towards better road conditions."

ACTUAL value received from their connection with us has increased our accounts from other banks 50% in two years. We therefore invite the business of others with the assurance of mutual satisfaction.

United States Government Depository.

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National Stock Yards - Illinois



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of the

Middle and Western States

Desiring a courteous and satisfactory New York Depository will find every requisite and safeguard known to modern banking at their disposal

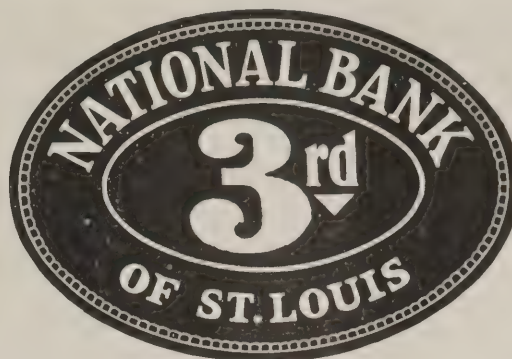
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New York

A Strictly Commercial Bank

Resources Over Thirty-eight Millions

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CAPITAL
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SURPLUS
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DEPOSITS
\$35,000,000

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G. W. GALBREATH - - - Vice-President
J. R. COOKE - - - Cashier
D'A. P. COOKE - - - Assistant Cashier

T. WRIGHT - - - Vice-President
R. S. HAWES - - - Vice-President
H. BAILL - - - Assistant Cashier
E. C. STUART - - - Assistant Cashier

TRANSPORTATION ARRANGEMENT FOR THE SALT LAKE CITY CONVENTION

By OTTO J. KRAMPKOWSKY.

The Transportation Committee reports that although the usual application for reduced fares was made to the various transportation associations, early in January, so far it has only been acted upon by the Trans-Continental Passenger Association. The delegates benefiting by it are those of the North Coast territory, i. e., the lines from Portland, Seattle, Tacoma, Vancouver, Victoria and common points.

Round trip tickets will be sold from this territory to Salt Lake City and return at 1/3 for the round trip, dates of sale being August 18th and 19th; final return limit 15 days from date of sale. No stopovers will be allowed going, but stopovers will be allowed on return trip at all points within final limit. Should the other passenger associations make reduced fares, the matter will be published in the next issue of the Bulletin, or specially prepared pamphlets will be sent to the various chapters affected; otherwise the delegates will take advantage of the summer tourist rate that will be in effect at the time of our convention. These rates are practically one fare for the round trip, with the stopover privileges unlimited.

Chicago delegates to the convention have met and have made arrangements to run a special train to the convention. These arrangements have been made with the Chicago, Milwaukee & St. Paul Railroad to Omaha; Chicago, Burlington & Quincy, Omaha to Denver; Denver & Rio Grande Railroad, Denver to Salt Lake City; Oregon Short Line, Salt Lake City to Yellowstone National Park. The Convention Special will leave Chicago on Sunday, August 8th, at 10 A. M., arriving at Denver Monday, August 10th, at noon, and be the guest of the Denver Chapter until midnight the same day. The special train leaving Chicago will be made up of the finest "St. Paul" equipment, standard compartment and drawing room sleeping cars, "with berths that are longer, higher and wider," dining car, buffet and observation car.

All delegates that can arrange their trip are invited to come via Chicago, and make their reservations on the special train. Delegates that will necessarily have to travel direct to Denver are expected to be there on Monday

to participate in the entertainment arranged for by the Denver Chapter. At Denver arrangements will be made to take the entire party from there to Salt Lake City by special train. Those desiring to return direct to Chicago should use the Oregon Short Line and Union Pacific Railway to Omaha, thence to Chicago, Milwaukee & St. Paul Railroad to Chicago. Those desiring to return through Colorado should use the Denver & Rio Grande to Denver, the Union Pacific or the Chicago, Rock Island & Pacific, Denver to Kansas City, the Chicago, Milwaukee & St. Paul, C. B. & Q., or Northwestern Railway, from Kansas City to Chicago.

Later on an official circular will be sent out to all chapters and their delegates, giving full details in regard to the time at points of interest, en route, the manner in which sleeping accommodations are to be procured, rates and routes of round trip tickets to various side trips that can be made when returning from the convention, and all return routes available, in fact, full information covering everything in connection with the trip.

Chicago's full delegation will be in attendance at the Salt Lake City convention, and

with their friends have already a party of about 50, and have made arrangements to take the five day trip in Yellowstone Park, via the Wylie Permanent Camping Way, and the total cost of this trip will be \$35. It is hoped that all delegates that have the time will arrange to take in the Yellowstone Park trip.

The additional fare from Salt Lake City to Yellowstone National Park is \$1.50 for the round trip, provided the ticket is purchased at the time of buying the round trip ticket to Salt Lake City, otherwise the round trip, Salt Lake City to Yellowstone Park, will cost \$16.

Make application now for reservation on the special train and trip through the Yellowstone National Park to: George A. Jackson, Chairman Transportation Committee, Continental and Commercial National, Chicago, Ill.; H. E. Hebrank, Union National, Pittsburgh, Pa.; A. R. Stinger, First National, Portland, Ore.; D. C. Borden, Holston National, Knoxville, Tenn.; R. W. Lindeke, National German-American Bank, St. Paul, Minn.; I. L. Bourgeois, The Hibernia Bank and Trust Company, New Orleans, Louisiana; R. B. Hungerford, Chelsea Exchange Bank, New York City.

DETROIT BANKS REPORT FAVOR- ABLY

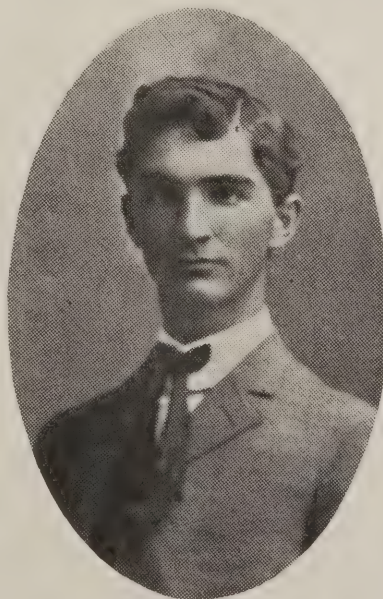
An unusually healthy condition of the Detroit banks is shown by a comparison of the combined statements of the clearing house banks, as issued by the Detroit Clearing House Association on April 18th, the day following the last call, and June 13th, the day previous to the call just issued.

The principal items and the changes were as follows:

Increase Since Last Call

	April 18	June 13	Increase
Loans . . .	\$128,147,000	\$132,914,000	\$4,767,000
Deposits . .	155,103,000	164,625,000	9,522,000
Reserves . .	31,753,000	35,008,000	3,255,000
Cash re- sources . .	42,405,000	47,425,000	5,020,000

Of the large increase in deposits, amounting to \$9,522,000, \$1,280,000 were savings deposits and \$8,242,000 were commercial. The latter is due partially to the primary school fund reflected in the deposits of the state treasurer, which formerly have been dispersed in May, but in the future will not be dispersed until July.



THOS. E. COOPER

Cashier American National Bank, Wilmington, North Carolina

Editorial Comment

CORPORATE ADMINISTRATION OF ESTATES

At the very time that the progressive forces in the republican party were making the third-term campaign for Theodore Roosevelt, the individual trustee of the estate of the late Roscoe Conkling, who made the great third-term fight for General Grant, was being held in New York City as an embezzler of the funds of the estate. In the days when Senator Conkling was at his zenith in political power, corporate trusteeship had not been developed as it is known at the present time. It is inconceivable that a man of Senator Conkling's great ability would have left his estate to be cared for by private individuals if there had been available well organized trust companies such as exist to-day, with trained men to look after such matters. It was merely by accident in overhearing a telephone message which led to the suspicion that all of the funds of the Conkling estate were not being accounted for. Investigation set upon foot showed that there had been systematic embezzlement of the funds for at least the past five years. A further examination of the records back of that period may disclose other shortages and instances of mismanagement. Had it been possible for Senator Conkling to have placed his affairs in the hands of a competent trust company there would have been no embezzlement, no mismanagement, and a degree of responsibility and accountability never attainable in the case of an individual administrator. There is a lesson to be found in this little incident which up-to-date trust companies will not be slow in presenting to their prospective clients.

BACK TO THE SOIL AND HAPPY

Many who have been disposed to risk a change from city to country life have been deterred by the fact that their training and experience have been entirely in the direction of business, and they fear they cannot adapt themselves to new conditions or ever really learn a new and wholly different occupation. Such will find interesting the story of a woman in the Farm Journal who, with her husband, tried the experiment. He was a well-to-do merchant in a large city, and failed, saving only \$750 from the wreck. They found near by an old, run-down farm of 110 acres, which they bought at \$36 per acre, making a small cash payment. About half of it was good, level land, the rest trees and brush. They began operations at once, learning how from neighbors, and the first year cut off cord wood enough to pay half the mortgage, and made a good profit on chickens. They then began buying thin cattle and grazing them fat, which paid well, and also raised hay and grain. Every year as they learned more they did better. Gradually they bought more brush land, and cleared it, and the wife says that while

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HARRY WILKINSON, Editor and Publisher

LARGER PAID CIRCULATION IN THE MIDDLE WEST THAN ANY THREE OF ITS COMPETITORS COMBINED

the work has been hard, "we have lived on the fat of the land; home-cured hams and sausages, fried chicken, roast turkey, fresh vegetables, delicious fruit and plenty of cream, butter and eggs." The summing up of her experience is worth giving, as it may be of value to some who are contemplating a similar experiment. She says:

"In the city Jack used to come home from his store 'spick and span,' but worried and jaded. Now he comes in from a tremendous day in the field, in overalls and work shirt, grimy, sweaty, but happy and smiling. It's the 'lure of the wild,' he says; and I am sure that a farmer may be as independent as a king, and more secure in every way.

"Was I happy, too? I am ashamed to confess it, I was not; foolish woman that I was. During those days of boundless blue sky and sunshine, of prairie breeze and splendid health and prosperity I grieved and grieved. How I missed the social pleasures of the city, the teas, the receptions, the parties, my literary club! I was, at times, rebellious and bitter. I hated the loneliness and the drudgery. I would cry and beg Jack to take me back to my beloved city.

"Just one more year on the farm,' he would promise.

"Thirteen years have passed. At last we can go back! The farm is clear; it is well

stocked with cattle and horses, and we have enough cash in bank to buy us a good home in the city. I can hardly realize it.

"But we are not going back!"

EASY BANKING UNDER NATIONAL SYSTEM

The recent change in the national banking act which permits national institutions to organize in communities of 3,000 inhabitants or less, with a capital as low as \$25,000, seems to have been instrumental in increasing the difficulty of the comptroller of the currency in compelling strict compliance with the provisions of the law. This is on account of the increased number of national banks since the new law went into effect. The present comptroller has shown marked efficiency and ability in performing his duty under the new order of things. He has just completed a new form for examiners' reports, with elaborate instructions regarding the details of examination in ascertaining and testing the different items of resources and liabilities. One violation of the law which has had a pernicious influence upon the affairs of the offenders is a disregard of the requirement against excessive loans. The bank examiners in making their reports are required to give the names of the borrowers, the amount of the loans, the value of the securities and the financial standing of the makers and endorsers. Overdrafts are classified as loans. This is a very important matter and should receive close attention. The only remedy open to the comptroller for a violation of this requirement is a proceeding to forfeit the charter of the offending institution. No doubt if this means were adopted it would have a deterrent effect upon those banks which are inclined to be careless in this most important matter. In view of the large number of national banks in existence at the present time it is very difficult to maintain an efficient system of control and supervision, which furnishes a strong argument for reforming the system. It is believed that if the banks themselves could maintain a collective or associated supervision, conditions would be improved somewhat. This would be one of the important functions of the local associations in districts proposed in the report of the National Monetary Commission, and embodied in the bill accompanying it for a National Reserve Association.

SOUTH CAROLINA CONVENTION

The South Carolina convention will meet this year at the Seashore Hotel, Isle of Palms, on July 5th and 6th. John M. Kinard is president and Lee G. Holleman is secretary.

A permit has been issued by the state to Thomas Shaw, H. I. McNeil, B. H. Heaton and W. R. Hidy to organize the First State Bank of Newnan, Ill. The capital stock of the new institution will be \$60,000.

Convention Dates

OHIO—Cedar Point, July 2 and 3; Secretary, S. B. Rankin, Charleston.

SOUTH CAROLINA—Charleston, July 5 and 6; Secretary, Lee G. Holleman, Anderson.

WEST VIRGINIA—White Sulphur Springs, July 11 and 12; Secretary, J. S. Hill, Charleston.

WISCONSIN—Milwaukee, July 24 and 25; Secretary, George D. Bartlett, Milwaukee.

American Institute of Banking—Salt Lake City, Utah, August 21, 22 and 23; Secretary, A. C. Dorris, Nashville, Tenn.

WYOMING—Cheyenne, August 7 and 8; Secretary, H. Van Deusen, Rock Springs.

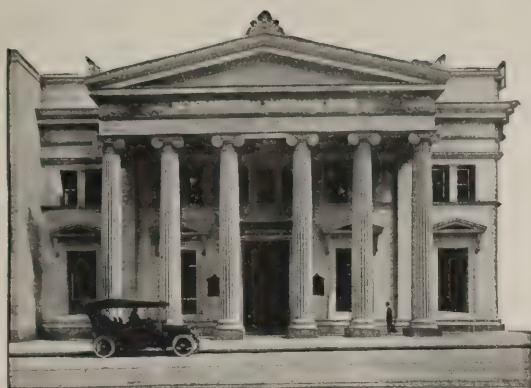
American Bankers Association—Detroit, week of September 9-14; Secretary, Fred E. Farnsworth, 11 Pine Street, New York City.

ILLINOIS—Peoria, September 25 and 26; Secretary, R. L. Crampton, Chicago.

KENTUCKY—Louisville, October 2 and 3; Secretary, A. B. Davis, Louisville.

INDIANA—Indianapolis, October 16 and 17; Secretary, Andrew Smith, Indianapolis.

ARIZONA—Tucson, October 18 and 19; Secretary, Morris Goldwater, Prescott.



The Northwestern National Bank OF MINNEAPOLIS, MINNESOTA

is organized and equipped to give to its customers and correspondents the best banking service obtainable. ☛ Being the largest bank in its territory the Northwestern is able to offer, through its many connections, unexcelled facilities, while its office organization is designed to give to every patron's affairs the individual care and attention which they may require. ☛ Visitors and prospective customers are invited to call upon the management, who will extend to them every courtesy.

Capital and Surplus, \$5,000,000.00

AFFILIATED WITH

The Minnesota Loan and Trust Company

F. A. Crandall

F. A. Crandall, vice-president of the National City Bank of Chicago, has returned from a business trip to California.

ASSOCIATION OF COMMERCE TAKES UP GOOD ROAD MOVEMENT

At the regular noon-day luncheon of the ways and means committee of the Chicago Association of Commerce held in the main dining-room of the La Salle Hotel on Wednesday of this week the subject of good roads was the principal topic discussed, the speakers being the Hon. Homer J. Tice, chairman of the state highway commission on good roads, and Wm. G. Edens, president of the Illinois Highway Improvement Association, and assistant secretary of the Central Trust Company of Illinois. Mr. Tice talked on "Good Roads—Their Importance to Farmer and Land Owner," and Mr. Edens on "Co-operation, the Key to a Successful Good Roads Movement." There were present Illinois bankers, business men, representatives of the Illinois press and members of the good roads committees of various business organizations interested in this most important subject, and also representatives of automobile associations. There was a very large attendance to listen to the remarks of these most interesting speakers. Mr. Tice in his talk pointed out that the roads of the state are the means by which the farmer transports his produce to the various markets in which he disposes of it. If there are good roads over which he can do this the cost of transportation necessarily is less than if the roads are in bad condition, which is reflected in the decreased cost to the consumer, and the increased profit to the farmer. He pointed out that a great deal of money has been spent in Illinois for the construction of roads, but that the results obtained from such expenditure have not been commensurate with the amount of money expended. Ninety per cent of the freight of Illinois is hauled over the roads of the state. It therefore will be seen that it is highly important that these roads be in such a condition as best will facilitate the accomplishment of this work. Mr. Tice believes that for every dollar of money expended there should be given to the public one dollar's worth of road. He believes that roads should be built so that they will be serviceable for all seasons of the year, and not only one particular season, and that they should be constructed with such permanency that they will be good not only for the present time, but for all time. He is an enthusiastic advocate of state aid in the accomplishment of this project, believing that the state should bear the

greater part of the cost and have absolute authority over the control of matters pertaining to the maintenance and construction of the roads; that a state highway commission is necessary, and that there should be in its employ men who are experienced in matters of this nature and thoroughly competent to discharge the duties of their positions. He believes that their tenure of office should be permanent, and that they should be absolutely free from any political affiliations. He believes in a uniform system of building and maintenance, and that it best can be accomplished by a centralization of authority. He believes that the needs of the state are sufficient to warrant the expenditure of from one and one-half millions to two millions per year in the matter of building serviceable roads; that this expense be taken care of by issuing bonds, and that the funds collected from automobile licenses be used in paying the interest on these bonds, as automobile owners as well as the farmers and general community profit by roads which are kept in good condition. He gave a number of statistics showing the increased cost of transporting the commodities of the farmers over roads which are not kept in good condition, as compared with transportation over roads which are kept up.

William G. Edens, in opening his talk, paid a compliment to S. E. Bradt, chairman of the good roads committee of the Illinois Bankers Association, for the very able report presented by that committee recently. The work of the committee covered about eight months' time, and the investigation of road conditions extended to every county in the state of Illinois. Mr. Edens told of the organization of the Illinois Highway Improvement Association, of which he is the president, and of the

purposes of the organization, and of the work which it expects to accomplish along these lines. He believes that certain stretches of road should be given attention first and improved, and that after this is accomplished the work should extend to other portions of the state where it is necessary. He also is in favor of using the automobile license fund for the maintenance and construction of the roads. He believes that the best way of succeeding in this laudable enterprise is to obtain the support of the farmers and land owners of the state, as the subject is one which vitally affects their interests. He is in favor of a state highway commission, and the appointment of engineers and experienced men in each county to look after the construction and maintenance of the roads, and also believes that their tenure of office should be permanent and that they should be free from political influences.

At the conclusion of Mr. Edens' remarks a resolution was offered and unanimously carried, which provides that the Association of Commerce appoint a committee on highway improvement, whose duty it shall be to represent the Chicago Association of Commerce in connection with the movement for good roads, and to co-operate with the committees of the various organizations throughout the state who also are interested in the movement.

Both speakers were very loudly applauded. Among the prominent out-of-town bankers who attended the meeting were Col. J. S. Aisthorpe of Cairo, B. F. Harris of Champaign, president of the Illinois Bankers Association, and S. E. Bradt of DeKalb, chairman of the committee on good roads of the Illinois Bankers Association.

CARROLL STATE BANK IN HYDE PARK

Rumor has it that there will be but one new state bank to be located at Fifty-third Street and Lake Avenue instead of two. John A. Carroll & Brother shortly will open as the Hyde Park Trust Company Bank, and the old Hyde Park private bank, owned and controlled by C. L. Norton, is expected to be merged with the new institution. When Saunders left Norton and encouraged Carroll & Brother to open a state institution, Norton also applied for a charter for a state bank. It looked for a short time like local war, but now it is said that Saunders has been eliminated entirely from the new institution, and that Norton will turn over the going business of his concern, which has been cut down under the private bank agitation to not more than \$250,000. The bank is expected to open about July 15th. The officers and directors have not been chosen yet.



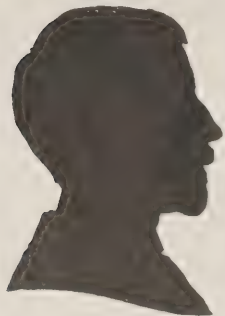
**CAPITAL
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**SURPLUS
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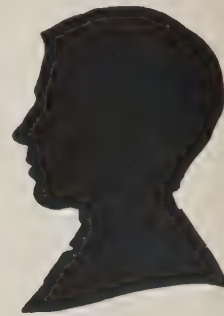
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H. B. Craddick on Imaginative Side of Banking



Imagination is the inverse of analysis. It is the putting together of things, not their separation into parts. It is the relating of one thought or object to another and different one. It is the relating of separate elements or objects. It is dual in nature, manifesting itself in two ways—in range and intensity.

We have viewed to-day a wonder in engineering construction. As we looked over that great agricultural project, did your mind take you in a twinkling to the head waters and source of the Belle Fourche River? If so, that was range and your mind traveled hundreds of miles in an instant.

Or did you see these broad acres under cultivation, the farmer at work, harvesting, marketing, buying, spending, prospering? If so that was intensity.

Imagination then, is the ability of the individual, upon seeing or thinking of an object to build around that object its probable environment, to realize what produced it and what it will produce.

In this connection we might consider various new forms of checks, drafts, certificates, or combinations of these, which have been invented, but very few of which have ever come into common use. To invent them was one thing, to popularize them is an entirely different problem.

The imaginative mind—one able to see business possibilities, to foresee business to be produced, to see a way of reaching that business, and with ability to reach it—is highly essential to successful banking. Advertising is imagination in action, and that is why advertising has come to be also highly essential to banking.

And the degree of force and effect of any given piece of advertising depends upon the forceful, effective imaginative power of the mind which produced it.

It has been my observation that bankers are amply able to analyze the conditions which surround their local institution. Very often, however, they fail to grasp the possibilities and are unable to imagine correctly the effect of certain publicity upon the public mind. His viewpoint is too often analytical. He runs to figures.

Possessing qualities of analysis, it is quite natural, for instance, that he should wish to lay stress in his publicity upon the amount of the capital stock, surplus, total resources in dollars and cents. He also insists on showing total deposits in large black figures.

Advertising expert tells the South Dakota bankers they sometimes stick too closely to analysis, figures and precedent, rather than to improving service and security

Are figures impressive? Not unless one possesses ability and the inclination to analyze. How many people in your community have any real conception of one million dollars expressed in figures and decimal points? Very few.

It takes scant analysis to determine what your bank has to offer the depositor. Just two things—security and service.

Security, of course, is of first importance. Without security there can be no service. The nature of your security should be analyzed for the public. If you can analyze it in words, instead of rows of figures, the public can understand. The national and state laws are pretty well taking care of the way the banks shall be conducted from the standpoint of security, and the public has faith in these laws. The fact that your bank is the oldest or that you have the largest capital or largest deposits of any bank in your community is really of less importance to the individual than that your bank is conducted honestly, courte-

ously, systematically and according to the law. If this were not so the big banks would have all the business, which we know they have not.

But Bank Service—that is a host in itself. It begins with security, its end is not yet known, nor do we want to know it.

The problems of bank service—how to reach the people, how to serve them better, more conveniently, making of banking ordinary business transactions and which it is, how to improve present methods, facilities and equipment, and to extend the usefulness of the bank within the reach of every individual in the community—these are some of the things the imagination may dwell upon with profit to the banker who can devise such ways and means.

Give your imagination full play. Put yourself on the other side of the counter, and try to imagine the viewpoint of the man on the outside. Do this before preparing your advertising if you would have your advertising efficient.

Then keep in mind always that it is not the bank connection which is important, but the reason for the bank connection.

This is the first essential to successful banking publicity. When once a banker gets a firm hold on this fundamental fact, and is able to apply it in its highest efficiency, he will be able to wield his advertising in the most profitable manner.

I have often wondered why the association and group meetings of bankers have failed to take an interest in business producing methods through talks and discussions. There is a saying that, "the best of us have a good deal to learn from the rest of us," and I know of no place where you bankers could exchange ideas and experiences to greater profit than in these gatherings. Not only could you profit from ideas and information from each other, but you could also protect yourselves from the numerous unprofitable advertising schemes being offered throughout the country.

In a few instances, the group meetings have included some phase of advertising in their discussions. The difficulty seems to be to get the banker to tell what he knows to his fellow banker.

Now this was solved cleverly, perhaps unwittingly, in a Wisconsin group last fall. The subject chosen for discussion was "Calendars as Advertising." That sounds quite commonplace, yet nearly every banker present aired his views on calendars as advertising and the discussion brought out some very interesting experiences. The discussion was precipitated by presenting a resolution: "Resolved that the banks of this group discontinue the use of calendars as a method of advertising." Some one imagined, and imagined correctly, that the bankers who would not talk calen-



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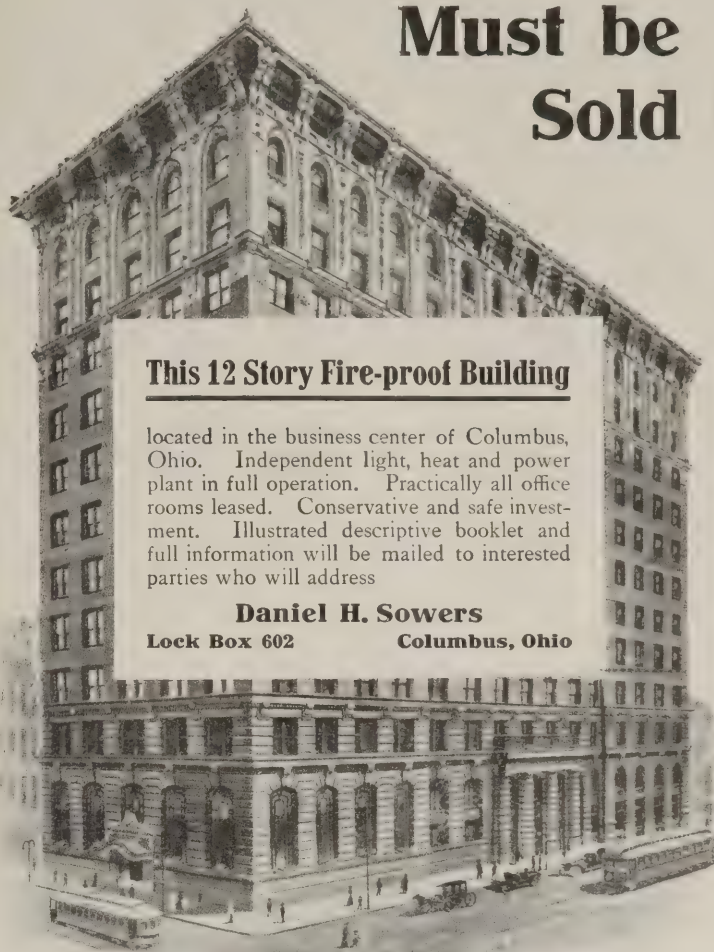
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dars would take sides and discuss a resolution.

I think it is unnecessary to point out to you the very rapid progress and evolution banking publicity has undergone during the past twenty years. But perhaps the following letter will bring out better than I could otherwise illustrate the attitude of bankers in years gone by toward the most ordinary publicity. The letter was written to a business counselor in the early eighties by an eastern city bank and shows the then existing desire to reach out for business but a lack of knowledge of how to proceed in face of seeming obstacles:

"We want more deposits. Specifically, we want the accounts of interior banks. It must not be known that we want this business, or we never can get it. The slightest effort to obtain it—in fact, almost any solicitation of it—would imply that we are not the proper persons to receive it. It is the old dignified conservatives, who do not seem to care for deposits, who get them; the active, pushing house is apt to be viewed with suspicion. Now, conditioned on the fact that we cannot ask for this business, and will not permit it to be known that we want it, will you tell us how we can secure it?"

It is refreshing to compare the condition here set forth with the present day methods of city banks.

Can you imagine a city banker to-day wanting your business and undertaking to secure it without permitting you to sense his intentions? Wouldn't you, in fact, be suspicious of the bank who used secretive methods to obtain your account?

As I said previously, advertising is imagination in action. Or, it may be said to be a mirror, in which is reflected the individual or organization back of it. No small amount of

the advertising as done by banks is wasted because there is a failure to give a true reflection of the bank, its security, service, and the personality of the men who, in reality, are the bank.

A safe rule to observe is that: Any means of securing a customer that brings the individual to the bank and the teller's window with the first deposit is highly desirable. Accounts that are opened by agents in the homes or outside the bank seldom develop into desirable ones.

If you would determine conclusively why you should advertise and what you should advertise, present this question for discussion to your directors and associates. Let your conclusions be frank and sincere.

What possible reasons are there why persons should pass all the other banks in our city, and come to this bank with their business?

When you find those reasons, it is only necessary to convince others that your reasons are just and true, to draw business within your doors.

On how to convince people, I wish to quote, in conclusion, from an address of Abraham Lincoln before the Washington Society at Springfield in February, 1842:

"When the conduct of men is designed to be influenced, persuasion, kind, unassuming persuasion, should ever be adopted. It is an old and true maxim 'that a drop of honey catches more flies than a gallon of gall.' So with men. If you would win a man to your cause, first convince him that you are his sincere friend. Therein is a drop of honey that catches his heart, which, say what he will, is the great highroad to his reason, and which, when once gained, you will find but little trouble in convincing his judgment of the jus-

tice of your cause if indeed that cause be really a just one. On the contrary, assume to dictate to his judgment, or to command his action, or to mark him as one to be shunned or despised, and he will retreat within himself, close all the avenues to his head and his heart: and though your cause be naked truth itself, transformed to the heaviest lance, harder than steel, and sharper than steel can be made, and though you throw it with more than herculean force and precision, you shall be no more able to pierce him than to penetrate the hard shell of a tortoise with a rye straw. Such is man, and so must he be understood by those who would lead him, even to his own best interests."

F. F. JOHNSON AT IDAHO CONVENTION

F. F. Johnson, cashier of the Boise City National Bank, delivered a very interesting as well as practical address on the subjects of cost and credit accounting at the Idaho convention last week. Mr. Johnson stated that frequently a bank carries an account on its books at a loss to itself. He suggested that a little study and attention to this account often has the effect of enabling the bank to carry it at a profit rather than a loss. He illustrated his remarks by a number of pertinent examples. He strongly urged the urgent necessity of keeping a reliable system of credit information. He suggested that in loaning to corporations it is very advisable to ascertain whether or not the officers signing the notes have the requisite authority; that when loaning against collateral security it also is advisable either to have the proper form of collateral note, or preferably a collateral agreement.

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Kansas City

CENTRAL WEST LETTER

By EDGAR P. ALLEN

Omaha

E. F. Swinney, president of the First National of Kansas City, who has just returned from the East, brings encouraging reports to the bankers and farmers of the Central West. "I firmly believe," said Mr. Swinney, "that this is going to be a big year for western people. Conditions are right in all particulars and especially for the farmers. And when our farmers are prosperous everybody else in this locality is bound to feel the effect. Already many stock men are arranging to market cattle and prices are so high that there is a good profit in the business. We have plenty of money here in the wheat country to handle our crops and it seems to be up to the railroads and harvest hands to do the rest. One does not hear any complaint among the people of the agricultural districts, which is a most unusual sign of contentment. Whatever happens in the East, the West is happy over the outlook."

Banks Respond to Call

The last call of the national banks found a general decrease in deposits in most of the cities of the Central West, due, it is said by well posted financiers, to the withdrawals among farmers to harvest and market their wheat. Loans as a general thing have increased on account of demands from the small country banks for money to move and handle crops. Cattle feeders in Nebraska, Kansas and Oklahoma are handling large supplies of stock, as the grass is excellent and conditions of the market favorable for high prices. The general financial outlook is very encouraging, as there has been plenty of rain and all growing crops are in good shape.

Daring Bank Robberies

Following closely upon the recent epidemic of bank robberies in Oklahoma, Arkansas and Texas, have come several reports of renewed activity of bank bandits in several Oklahoma towns. The most successful of these latter raids was that in which \$2,850 was taken from the First State Bank of Bokchito, Okla., early in the morning of June 21st. Bokchito is not far from Durant. Five men did the job, one man remaining in the building to blow the safe while his confederates stood guard outside at various points of vantage. For three hours the man inside the bank worked and the guards held the citizens at bay. When every dollar and bill in the bank had been secured, the gang got away. At Ingersoll, Okla., two nights before the Bokchito robbery, the outside doors of the Bank of Ingersoll were blown down, but the noise awakened citizens who flocked to the bank in such numbers that the robbers made a hasty flight. A similar unproductive attempt was made on the bank at Foyil, Okla., early in

the morning of June 22d. Robbers blew down a portion of the rear wall of the bank building but before they could reach the safe they were frightened off. In none of the cases have suspects been captured.

Central West Notes

When the Dallas, Texas, chamber of commerce made its recent tour of western Texas to stimulate trade and business generally in behalf of that city, the Dallas bankers who accompanied the party were R. E. Gahagan, J. D. Gillispie and M. H. Hardie.

The Bankers Trust Company of New York purchased the \$1,000,000 bond issue of the Tulsa, Okla., street car company. The bonds draw 5 per cent interest and run for twenty years.

M. C. Parrish, for the past four years president of the Alto State Bank of Alto, Texas, has been elected active vice-president of the First National of Jacksonville, Texas.

Another payment is to be made to the depositors of the defunct Citizens and Farmers State Bank of Arkansas City, Kan., by order of the district court. A final settlement has been agreed upon whereby William A. Wilson, of Kansas City, president of the institution, will turn over \$14,000 in cash and a receiver's certificate for \$887, which amount he had on de-

posit at the time of the failure. In return for this the receiver is to assign to Mr. Wilson 180 shares in the Arkansas City Ice and Cold Storage Company.

The St. Joseph, Mo., Bankers Club was organized last week with a large membership of officers and stockholders of all the city banks. At the organization meeting, A. O. Wilson of St. Louis was the guest of honor. J. E. Combs was chairman of the committee on organization and W. S. McLucas was secretary.

By the arrest of two men in Wichita, Kan., last week, the authorities believe that they have captured part of the gang of robbers who dynamited the First State Bank of Tulsa, Okla., a year ago and secured \$2,300. The prisoners have not been positively identified.

Col. James H. McCord, of St. Joseph, Mo., has been elected a director of the St. Joseph and Grand Island Railway Company. G. G. Lacy, of St. Joseph, is president of the corporation.

M. L. Turner, president of the Western National of Oklahoma City, and one of the receivers of the Kansas City, Mexico & Orient Railroad, has gone East on business connected with the receivership.

D. H. Myers, president of the First National of Clay Center, Kan., has been spending several weeks at Excelsior Springs, Mo. He stopped in Kansas City last week on his way to his home.

The Texas department of banking has approved the following reserve agents: for the State Bank and Trust Company of San Antonio, the Oklahoma Stock Yards National, Oklahoma City; for the North Texas State Bank, Fort Worth, the Stock Yards National, Fort Worth; for the First State Bank of Hawkins, Texas, the First National of Winnsboro; for the Continental State Bank, Rising Star, the American Exchange National of Dallas.

Among the out-of-town bankers who visited Kansas City's financial district last week were: J. W. Wilcoxson, Carrollton, Mo.; J. E. Deacy, Lawson, Mo.; William B. Mohr, El Reno, Okla.; I. K. Nakidmen, Salisaw, Okla.; T. W. Foster, Burlington, Kan.; J. R. Mulvane, Topeka, Kan.; G. H. Woodhouse, Sharon Springs, Kan.; and V. K. Hoover, Russell, Kan.

The treasurer of Doniphan county, Kan., through the Fidelity Trust Co. of Kansas City, Mo., will on July 1st redeem all its outstanding bonds, amounting to \$47,000, issued 20 years ago for 30 years with option of payment in 1912.

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New Banking Bill for North Carolina

The tremendous expansion in banking that has taken place in the past few years has resulted in the necessity of conserving the best interest of our several institutions and depositors. To do this, there is no better way than to have suitable laws, to be worthy, and to obtain the entire confidence of the public. While the record of our banks is one to be proud of, and just here I will state: we have had but one failure within the past year, and in that case the depositors probably will not lose anything, yet the laws that have served our purpose no longer keep pace with the great strides made by our people. We must adopt methods that look to greater advancement, progress and security, and form our laws to more nearly forestall any irregularities in the future. We propose to have some good bill to present to the next legislature which you and the people have had ample time to consider.

From the semi-public nature of banking, we are the servants of the public, in a way. The people are demanding more knowledge of corporations, and we should encourage legislation that will strengthen public confidence.

At your last session, upon the recommendation of your retiring president, a committee was appointed to prepare a bill, revising our state banking laws, and submit it to this convention, for its consideration. This committee, after laboring earnestly and conscientiously, devoting a great deal of time and study, submits to you its report, and asks your thoughtful consideration. How well it has performed its work is now for you to judge. This report recommends the inauguration of a "State Banking Department," under the supervision of the corporation commission, with the management vested in a capable superintendent of banks. He is assisted by three examiners, and two examinations a year required of every state bank. There are a great many other valuable recommendations, such as:

Defining the duties of directors.

Method of establishing new banks.

A more definite and expeditious way of handling closed or liquidated banks.

Restrictions of loans and discounts.

Requirements of capital, and many other changes of importance. Before leaving the subject, I want to commend to you this committee's work, and especially that of Col. Bruton, the chairman of the legislative committee, whom we have worked overtime.

The past year has been one of great business activity, with satisfactory results, and blessings have showered us in all lines of business in increased measure. Confidence is re-established, and progress guided by courage is our watchword. "All is well," yet we are recreant to our duty, if we do not aid in improving, so far as we can, our clumsy national financial system. Our nation should have the best financial system of the world. The other countries sit at our feet in all the other lines, yet in our financial system we are far behind the other great nations. Let us use our good influence for some national currency system

President J. C. Braswell, at Morehead City convention, commends work of legislative committee. Says banking is of semi-public nature and should be under supervision and inspection.

Favors creation of state banking department. Growth of the South

that will maintain the present state of confidence and reduce the recurrence of panics to a minimum.

Though our natural resources are great, nevertheless the bone and sinew of our wealth lie in our agricultural development. Our banks



J. C. BRASWELL

Rocky Mount

President North Carolina Bankers Association

should encourage a closer co-operation with the farmers, for whatever benefits the farm reaches directly to the bank, and following the action of many states, I would recommend the appointment of a standing committee of "Agricultural Development and Education," whose duties will be similar to those of a like committee of the American Bankers Association. In order that half of our executive committee may be old members, and be more in touch with the work of the association, I would recommend a change in the by-laws, beginning this session with the election of one half of the committee for a term of one year, and one half to serve two years.

In order that we may advance our foreign trade, and do as the other greater nations, we should endorse the measure now before congress for the acquisition of premises for our diplomatic establishments. We should also encourage the passage of the one cent postage on usual letters.

The South is being recognized as the nation's greatest possession. Its wonderful resources and boundless fields for investment are of world-wide fame, and North Carolina is taking the lead among her sister states.

At no time in the history of banking have our banks been in better condition than at present. In one year the deposits have increased 15 per cent and resources 12 per cent. Our last year's cotton crop was the largest we have ever produced and our farms are raising more home supplies, which produce a more healthy condition and should be encouraged by the banks. From 1910 to 1911 the property valuation of the state increased 20 per cent.

There has been a most wonderful growth in the advancement of North Carolina, which a comparison of the last decade will show. Increase in number of banks 296, from 153 to 449. Bank deposits have increased 330 per cent, from 19 millions to 84 millions. Bank resources have increased 280 per cent, from 34 millions to 131 millions. In 1899 North Carolina stood tenth in the value of manufactured cotton product, fourth in the number of establishments, tenth in number of producing spindles. In 1910 we stood first in number of establishments, second in value of cotton products, third in number of producing spindles. North Carolina has increased in ten years 15.38 per cent in population. Cotton seed products have increased 166 per cent in value. Value of farm property has increased 130 per cent, and in about this proportion in all our industries and products. No state has made greater educational development than our own in the last decade, with an increase in the attendance of the rural schools of 41 per cent. School property has more than trebled, and with the introduction of farm life schools we may expect greater benefits to the agriculturist, and while in 1900 our position was low in comparison with many other states, yet under the leadership of our great educators, it has made such rapid strides that to-day its methods rank with any in the Union.

I will ever feel gratified for the honor, kindness, courtesy and confidence shown me and will hold priceless the friendships made in my association with you as your president.

THE NEW YORK BANKERS ASSOCIATION GOLF TOURNAMENT

The winners in the golf tournament which was held in connection with the meeting of the New York State Bankers Association at Buffalo, N. Y., on June 13th and 14th were as follows:

Low gross score won by N. L. Servoss, of New York City. There was a tie in this event between Mr. Servoss and A. B. Colvin of the Glens Falls (N. Y.) Trust Company, Mr. Servoss winning by the toss of a coin. A. W. Snow, of Garfield National, New York, won the first prize in the men's handicap. O. H. Cheney, New York, won the second prize in the men's handicap. A. B. Colvin, of Glens Falls, partnered with Mrs. Winthrop Tweedy, won the prizes in the mixed foursome event.

TEN YEARS' PROGRESS

In the Surplus and Deposits of the

Security National Bank Of Minneapolis

Surplus and Profits

1902, \$ 160,000
1912, 2,100,000

Deposits

1902, \$8,000,000
1912, 20,000,000

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Northwest Letter

Banking news from Minneapolis—St. Paul financial center, and surrounding States, compiled by J. Edwards Smith

Deposits in Minneapolis at the last call total \$103,646,272, or \$12,074,661 more than last year at the same time. From April to June, a time when bank deposits are expected to decline, the total remained practically stationary, at \$103,646,272.36 against \$103,690,834.79. The outlook for a good crop and the buying that has started made the figures stand up to such a big sum. In the April call the deposits were 103,696,835. Commercial bank deposits are \$81,087,716, as compared with \$82,692,601 in April and \$69,683,272 a year ago. The savings banks that report on call showed \$20,010,906, which is \$1,168,886 more than a year ago and \$220,177 less than in April. Loans and discounts totaled \$64,099,050, as against \$62,951,472 in April and \$57,105,559 a year ago.

Minnesota Banker on Steamer Quincy

Loaded to the guards with Minnesota bankers and their families, say the press reports, the steamer Quincy sank in the Keokuk locks, Mississippi river. Names of the bankers are missing. The boat listed before it sank, as all boats should do. The trouble was, that it caught one side on the walls of the lock and when the water was let out it hung trembling in every limb, then, listing, it sank.

St. Paul Banks

Comment in the St. Paul Pioneer Press on the last call of the comptroller of the currency follows: "The call of the national banks during the week shows deposits close to \$50,000,000 for seven St. Paul national banks, and well over \$100,000,000 for Minneapolis. The seven national banks in St. Paul reported deposits of \$44,509,197, and all Minneapolis banks reported deposits of \$103,646,272. These figures do not include the state or private banks in St. Paul, and the total will be swelled by a considerable amount, as some of the smaller banks are large enough to enter the national class if they cared to do so. The loans are \$36,616,307 and reserves, \$15,510,157. The amount of discounts are at a substantial figure in St. Paul. The national banks show money in the Twin

Cities is liberal for all purposes to which it may be called. While it is still several months from crop-moving time, the presence of such liberal supplies of funds will do much to prevent any scarcity in the fall, as it gives the Northwest an excellent start on the project."

Those Who Attended North Dakota Convention

North Dakota's crop prospects pleased Minneapolis bankers who attended the state bankers convention at Jamestown a week ago. In the party were: E. P. Wells and O. M. Corwin, Wells & Dickey Company; P. G. Leeman, First National; J. S. Pomeroy, Security National; Joseph Chapman, Jr., and R. S. MacGregor, Northwestern National; E. J. Grimes, Minnesota Loan and Trust Company; Arthur R. Rogers and Geo. B. Lane. "Everything looks good in North Dakota," said Mr. Pomeroy. "The crops are coming along splendidly, every business man is hopeful and the outlook is for heavy fall business."

Increase Capital

The Minneapolis State has voted to increase its capital from \$25,000 to \$50,000 and surplus from \$4,500 to \$10,000. This will be paid in by July 1st, according to President A. W. Harper. The bank was organized three and one-half years ago to serve one of the outside business districts, three miles from the center of town.

At the South Dakota Convention

Several St. Paul and Minneapolis bankers attended the South Dakota convention at Belle Fourche, taking the special train at Huron. The party comprised Theodore Wold, president Scandinavian-American National; Frank J. Mulcahy, Minnesota Loan and Trust Company; Lyman E. Wakefield, Wells & Dickey Company; P. G. Leeman, assistant cashier First National; E. J. Grimes, Minneapolis Trust Company; J. S. Pomeroy, cashier Security National; R. S. MacGregor, assistant cashier Northwestern National; J. W. Wheel-

er, Capital Trust Company, St. Paul, and H. A. Oace, Merchants National, St. Paul.

Banking Notes

Permanent improvement revolving fund bonds, \$325,000, have been sold by the Minneapolis council committee to E. H. Rollins & Sons and the Allerton, Greene & King Company, Chicago, on joint bid of \$317,395. The bonds are payable June 1, 1942, and pay 4 per cent.

The Minneapolis Threshing Machine Company, of which F. E. Kenaston, well known banker, is head, has amended its incorporation articles to provide for increase of capital from \$2,000,000 to \$3,000,000. The company will double its capacity.

Perry Harrison has returned to his desk at the Security National bank after an Eastern trip begun in May. He drove 2,000 miles by automobile with himself at the wheel.

Depositors of the State Bank of Commerce, Winnebago, Minn., have appointed a committee to get funds to offer as a reward for the return of the missing vice-president, H. W. Parker. It was decided at a meeting to employ counsel to look after their interests. Kelsey Chase, bank examiner for the state, will appoint a receiver.

J. C. White, vice-president of the First National, Mabel, Minn., has bought two apartment buildings in Minneapolis for \$22,000.

In the Verndale Sun the First National of Verndale, Minn., described the Minneapolis Civic and Commerce Association members on a trade trip to that city, extending to Winnipeg, as "A natty, nobby, nifty, thrifty throng from Minnesota's magnificent metropolis." One of the shining members of the excursion was George F. Orde, vice-president of the First National, Minneapolis.

The Minneapolis Chamber of Commerce has voted to provide a fund of about \$16,500 a year by \$30 individual assessments on members to

(Continued on page 29)

WILLIAM J. BURNS, President. Formerly U. S. Secret Service. Late San Francisco, Cal., Graft Prosecution

RAYMOND J. BURNS, Secretary and Treasurer

The William J. Burns National Detective Agency, Inc.

Representing American Bankers Association

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President Chas. A. McLean to the Washington Bankers

Tells of improving conditions in Northwest. Strong for state supervision of banking as only way to retain public confidence and insure safety. Boosts agricultural and vocational education. The organization

The year 1911 was, on the whole, one of prosperity to the banking interests of this state, although the depression existing during 1910 still persisted, and, in fact, it cannot be truly said that business conditions, though improving, are yet normal. This can be accounted for more by the unprecedented prosperity of the people in the Pacific Northwest during the last decade than by actual existing conditions. Indeed, peace and plenty reigned throughout the state, and our banks, under wise management and careful supervision, were never in better condition.

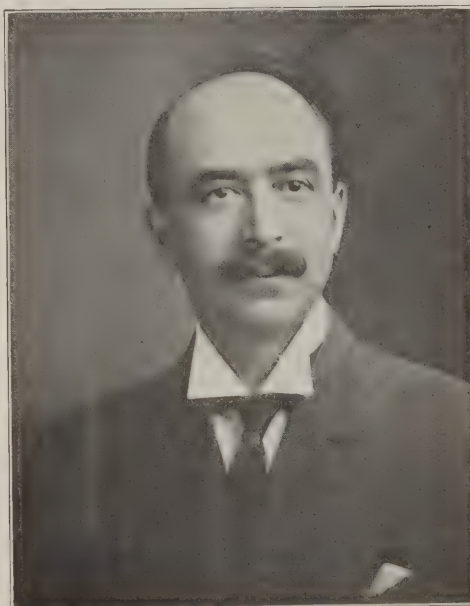
For the past two years conservative methods have been pursued, with the result that larger reserves are held by the banks of our association than ever before at this season of the year. The glowing promise of immense crops of fruits and cereals will prove the wisdom of this course, and our own banks should be able to finance the harvesting and marketing of these crops, thus keeping within the state this natural increase of wealth. At the same time, it is pleasing to note that the lumber market, which has been dull, now shows a growing demand, and that a revival is being felt in the mining industry.

The banker is interested in all legislation, but he is vitally interested in legislation affecting the banking interests. This year new lawmakers will be elected to go to Olympia to legislate for the people of this state, and it devolves upon the banker, with all other good citizens, to see that proper men are sent; men of character and high purpose; men who are willing to study the bills proposed and sift the good from the bad. To such men our legislative committee can go with honest measures and get an honest hearing, and to such we can safely trust the passing of a banking law that will insure protection to the customer as well as the stockholder, and be the means of raising still higher the present high standard of banking.

I believe in the most careful supervision by both state and national examiners of banks, and that the depositors of every bank deserve the best protection possible against dishonest and incompetent bankers. That protection must necessarily lie in adequate capital, with ample surplus, reasonably large reserves and good, live assets. The confidence of the public can only be retained by these qualifications, with the addition of capable and honest management. To protect well managed banks and their customers the legislature of this state is in duty bound to pass a stringent banking law. Now is the time to begin the campaign by inducing conscientious men to stand in the primaries.

Last year at Wenatchee a committee was appointed consisting of Messrs. J. W. Clise, W. D. Vincent, H. N. Gilbert, George P.

Wiley and E. S. Burgan. This committee was called the Washington State Bankers Association committee on agricultural and vocational education, and is composed of five as able and representative men as we have in our association. They gave a great deal of their time to



CHARLES A. McLEAN
Spokane
President Washington Bankers Association

their duties, and after a careful investigation of conditions, asked for funds to further their work. Your executive council, with the advice of several of the leading bankers of this association, decided to ask for a voluntary contribution from our members to provide the necessary funds. Many bankers, fearing an unwise precedent might be established, and others not understanding the objects to be accomplished, hesitated to make their contribution, so it was thought advisable to postpone action until the meeting of this convention. This afternoon you will hear the report of the committee, and I am sure the work of these able men will be unanimously commended, and that you will provide ample means for its further prosecution.

The state of Washington should produce all the eggs, poultry, ham, mutton and beef con-

sumed within it, and have a surplus to export as well. Beef cattle and sheep produce hides and wool, that in turn demand tanneries and woolen mills employing thousands of men, thus creating a home market for the other products of our farms. If our agricultural committee can in any way stimulate an interest that will increase our production of cattle, hogs and sheep, or be the means of inducing immigrants to locate on our logged off lands; if they can in any way help to demonstrate to our prosperous farmers plans and systems by which the productiveness of our soil can be retained and increased, if they can assist in improving our system of practical education, then no reasonable sum is too large for this association of banks to contribute to their aid. The return will be sure and incalculable.

The Panama Canal is fast being rushed to completion, and in the course of a few months ships will be sailing through it. What its effect will be on our state it is impossible to predict. That it will have an effect on conditions in the Northwest is certain, and it is up to the banker to carefully watch for the changes which very soon surely will be felt. On the whole, I believe we cannot conceive of the immense benefits that will be derived through the stimulus given to trade on the Pacific Coast by this wonderful achievement. The state of Washington, with its untold natural resources, its unexcelled climatic conditions, is on the threshold of an era of further development. The banker must necessarily play a great part in its future, and by the conservative management of his own business, help to make the prosperity that is coming lasting and sure.

An effort has been made during the past year to increase the membership from this state in the American Bankers Association to three hundred, which will entitle us to two members in the executive council of that organization. I trust that during this convention special efforts will be made to get the required number. An additional member on the executive council will be a great benefit to all, and every owner of the little metal sign of the American Bankers Association gets the best kind of insurance for the dues paid. Our own association shows a satisfactory increase during the past year.

It is indeed an honor to be president of this association; one which I have highly appreciated, and I beg to tender my thanks to the officers and members of the several committees for their faithful and courteous co-operation, and especially to your secretary, P. C. Kauffman, with whom it is a pleasure to be associated. His reputation is now national, and without doubt the success of the Washington State Bankers Association is principally due to his untiring efforts on its behalf.

E. W. ANDREWS, President
J. W. SPANGLER, Vice-President

**Assets Over
\$16,000,000**

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OF SEATTLE, WASHINGTON

SHOULD HANDLE YOUR PACIFIC COAST AND ALASKA BUSINESS

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Direct Connections
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AT THE TACOMA-OLYMPIA CONVENTION

Two of the speakers at the convention of the Washington Bankers Association held in Tacoma and Olympia on June 27th, 28th and 29th were Warren O. Dow, secretary of the Wenatchee Commercial Club, and F. F. Nalder, director of education, Washington State Reformatory, Monroe, the latter speaking on "Agriculture in Washington as a Field of Opportunity for Young Men," and the former on "Agriculture and the Nation." In speaking of the urgent need of agricultural education, Mr. Dow said in part:

"Our public schools should be made better to serve the needs of the people. Curricula should be so formulated that localities could adjust their courses to their needs. They should be made to serve the ninety-five per cent who do not go to college, rather than the five per cent who do go there. The universities should be dominated by the needs of the secondary schools, which in turn are dominated by the needs of the people, rather than the secondary schools dominated by the universities. If our educational system could be worked out along this practical line, and be under the guidance and inspiration of big men, well paid, all honest labor would be dignified. Each member of society would understand the other. Each would have more respect for the other. Neither would consider that his profession had a monopoly upon importance, honor and dignity. Class hatred would in a large measure be eliminated. Greater reconciliation could be effected between labor and capital. Many of our now troubling problems would disappear. It is foolish for us to endeavor to legislate our evils away, without at the same time educating them away. Most of our troubles are troubles through misunderstanding, inability to sympathize and see from the other man's viewpoint. If we inculcate in our schools a system broad and practical, where vocation becomes a matter of natural choice, where many professions are taught under the same roof and treated with the same dignity, where manual training, agriculture, domestic science, classical learning, all by contact learn to sympathize with the other, the foundation for harmonious life and national strength would be laid. Much of poverty and misery would cease. The signal failures of so-called university and college-bred men would be reduced to a minimum, for thus the right man naturally would find the right place, and contentment and efficiency would be the result."

Mr. Nalder strongly urged the adoption of agriculture as a calling, stating that the opportunities for independence presented by it are abundant. He said in part:

"Industrial conditions and tendencies are putting a premium on agriculture as a calling for young men and women. The varied agricultural resources of the state of Washington make it a peculiarly attractive field for young men. Agricultural knowledge must be promoted as an educational propaganda. In western Washington the one thing that capital can do, i. e., put deforested areas in such condition as to make them accessible to ambitious young farmers, should be done as a capitalistic enterprise. Viewed from every standpoint, agriculture presents the best field for a young man to go into in the hope of becoming financially independent. You bankers

of the state, as stewards of the economic surplus of the people, cannot do better than to divert some of your capital, with its powerful influence, toward thus enhancing the agricultural wealth of Washington."

Mr. Nalder also favors the teaching of agricultural subjects in the various state institutions of learning, and stated that such subjects are taught in the state reformatory of which he is the educational director.

Washington Convention

Tacoma, Wash., June 28.—The bankers of the state of Washington have just concluded a two days' session of their seventeenth annual convention; the third day's session will be held to-morrow. Headquarters of the convention were at the Hotel Tacoma. The business sessions of the convention were held in the city of Tacoma Thursday morning and afternoon, and the final session will be held to-morrow morning. To-day was given over entirely to the entertainment of delegates and visitors, who were the guests of the bankers of Olympia. The steamer "Nesqually" was chartered for the occasion, and left the municipal dock, Tacoma, giving the party a most delightful ride on Puget Sound to Olympia, where a reception was tendered them in the governor's mansion, and later a real "Old Fashioned Picnic" at Priest Point Park, the party returning to Tacoma by the "Nesqually" in the evening. The entertainment features

were arranged for by a committee of the Tacoma Clearing House Association and included a dinner and dance at the beautiful club house of the Tacoma Golf and Country Club at American Lake. To-morrow afternoon there will be a golf contest at the Tacoma Country Club. On Thursday, June 27th, the convention was called to order promptly at ten o'clock in the beautiful assembly hall of the Tacoma Commercial Club. Addresses of welcome were delivered by Mayor W. W. Seymour of Tacoma and Charles E. Brower, president of the Tacoma Clearing House Association. The response was made by Edwin T. Coman, president of the Exchange National Bank, Spokane, after which President Charles E. McLean delivered his annual address, and was followed by reports of officers and of committees, and the appointment of new committees. The convention then adjourned for luncheon. In the afternoon a report was heard from the committee on credentials. The following delivered addresses at this session: Hon. John Perrin, chairman of the board, Fletcher-American National, Indianapolis, and a member of the currency commission of the A. B. A., on "Currency Reform—the National Reserve Association;" Warren O. Dow, principal of the Wenatchee High School, on "Agriculture and the Nation;" Hon. H. B. Dewey, superintendent of public instruction, Olympia; F. F. Nalder, director of education, Washington State Reformatory, on "Agriculture in Washington as a Field of Opportunity for Young Men." To-morrow morning reports of the prize essay contest will be announced. There will be an address on "The American Institute of Banking; Its Purposes and Work," by J. W. Bradley of Spokane, vice-president of the American Institute of Banking, and one on "Bank Publicity" by F. W. Ellsworth, publicity manager of the Guaranty Trust Company of New York City. There will be remarks by visitors, reports of committees, election of officers, installation of the new president, and the selection of seven delegates and alternates to the next annual convention of the American Bankers Association to be held at Detroit the week of September 9th. The greater portion of the program of Thursday afternoon was devoted to agricultural and vocational subjects. The railroad companies agreed to extend the time limit on tickets to July 6th, so as to enable the delegates to remain over in Tacoma and attend the festivities of the Montamara Festo, Tacoma's great carnival of nations, which will open Sunday, June 30th, with a grand open air concert in Tacoma's famous stadium, given by the Arion Club of Victoria and the Orpheus Club of Tacoma, the two leading musical organizations of the Pacific Northwest, and continue with spectacular parades and entertainments.

The Kenney State Bank of Kenney, Austin county, Texas, has been incorporated by Charles Ebert, I. Artmann, John Stoves and others. Another new Texas bank is the Farmers State Bank of Clarendon, Donley county, with \$50,000 capital. Its incorporators are: T. J. Cothran, J. A. Barnett, George B. Bugbee and others.

The First State Bank and Trust Company of Abilene, Texas, has filed a charter amendment increasing its capital stock from \$55,000 to \$100,000.



The Old National Bank OF SPOKANE

This bank is thoroughly organized and equipped for the proper handling of all items drawn on Pacific Northwest points

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D. W. TWOHY, President
T. J. HUMBERD, Vice President
W. D. VINCENT, Cashier
W. J. KOMMERS, Assistant Cashier
J. A. YEOMANS, Assistant Cashier
W. J. SMITHSON, Assistant Cashier

Field of American Institute of Banking

J. W. Bradley, of the Old National, Spokane, and Vice-President A. I. B., tells Washington bankers of the hopes and aims of the big organization.

Address will inspire interest in the training of skilled bankers by the educational method

As an officer of the American Institute of Banking I wish to thank you, Mr. President, and your executive council for your action in admitting delegates from our chapters to the conventions of the Washington Bankers Association. I am sure that many mutual advantages will result therefrom. I also desire to express our appreciation of your interest and generosity in conducting the prize essay contests of the last two years and of your liberal support given to the officers of our chapters. Such manifestations of your regard for the work of the institute has done much to instill ambition and encourage greater individual effort among our members in the acquisition of practical banking knowledge.

I believe you are all quite familiar with the history of the American Institute of Banking so I will but briefly review it. A little more than twelve years ago the bankers of this country came to realize that the world had entered an age of specialists. Every vocation, profession or trade was demanding experts—men specially or scientifically trained for a particular calling.

Vocational education began to attract the large amount of thought and attention that it has since received. Schools came into existence for the teaching of arts and crafts of many descriptions which it had been previously supposed could not be taught in schools. Educators and practical men discovered that the theory and technicalities of many professions and trades could be learned from books, thus saving the enormous amount of time consumed under the apprenticeship system.

In the banking world, however, no such developments were taking place. There were but two or three recognized schools of finance in the country and they were entirely beyond the reach of the army of American bank clerks. Conservative old bankers contended that their business could not be taught in schools but must be learned as they had learned it, by a lifetime of experience. The fact remained, however, that to keep pace with the rapid strides of industry and commerce men must be trained to meet the advancing requirements of the banker.

It was evident that the growth and development of our large city banks circumscribed the activities of the clerk and more and more prevented his acquisition of general banking knowledge by experience alone. The division of labor was being carried to the point where the average clerk was but a cog in the wheel and could not hope to acquaint himself with the intricacies of more than one or two departments of his bank. The country banker, also, had little or no means of learning about some branches of the business as conducted by his city correspondent or of uniform and improved methods of accounting and handling transits, collections, etc. Banking throughout the country was being conducted by crude heterogeneous methods. The only attempts at uniformity of practice were made through the associations, but that did not reach the heart of the disorders, as it did not educate the clerks who do the work and who are the growing bankers of the morrow. At the same time the heads of the big banking institutions of the country began to observe the lack of official material among their employees. Their methods of training were not developing men of all around banking knowledge; men of personality, executive ability or capacity for the official positions which were opening with increas-

ing frequency as the tension of modern business grew greater and its volume increased.

The American Bankers Association took up the matter at its convention at Richmond in 1900 and a committee was appointed to investigate and report on some method of educating bank clerks in the theory and practice of banking. The report of this committee led to the organization of the American Institute of



J. W. BRADLEY
Spokane, Washington

Bank Clerks, now the American Institute of Banking. The idea was inspired by a few such examples in the country as Joseph Chapman's class of bank clerks in Minneapolis, who had associated themselves together for the purpose of studying commercial law.

The plan met with general approval and there were soon chapters organized in each of the larger cities. The form of organization admitted fraternal and social features but the paramount object was education. An educational director was employed and a bulletin published. A uniform course of study was evolved, embracing a comprehensive grounding in banking and finance and commercial and banking law. The expense of establishing and maintaining the institute was borne for the most part by the parent organization, but the employees rose to their opportunity in a most creditable manner and the success of the plan surpassed all expectations.

In cities where a university or college was located arrangements were generally made to conduct the classes in banking and law in conjunction with the schools and under the supervision of their instructors. In other cities the work was carried on by the classes choosing a leader of their own and then studying the texts as supplied by the educational di-

rector, submitting the examination papers to him for correction. It was found that small chapters in small towns did not thrive, so in order to enable the clerk in the country bank to affiliate himself with the movement and secure its advantages the Correspondence Chapter was established. This method is in some respects the most efficient means of instruction. It lacks the inspiration of social contact, but the personal relationship between students and instructors stimulates ambition, and the fact that all lessons must be written insures thought and thoroughness. In correspondence instruction as conducted by the institute, each student is supplied with the serial lesson pamphlets and collateral exercises which constitute the institute study course. The exercises in connection with each lesson are submitted to instructors when done. They are then corrected and returned with such criticisms and suggestions as may be helpful in each case. So far as actual acquirement of knowledge is concerned the advantages of this system fully offset its disadvantages.

Conventions have been held annually of delegates from the chapters for purposes of organization and improving and furthering the usefulness of the A. I. B. as it has come to be called. Of course, some politics enter in, but that only adds zest to the deliberations. At Denver in 1908 the institute was made the educational section of the American Bankers Association but was given complete self-government. It now has about seventy-five chapters in cities located throughout the United States and a total membership of over 12,000.

The original object of the institute, to establish and maintain a uniform and recognized standard of education for the bank clerk, is still rigidly adhered to. The course of study as now constituted is divided into two general parts, each embracing about one year's work. The first part is titled "Banking and Finance," and covers the fundamental principles of economics; the production, distribution and consumption of wealth; the uses and value of money, its demand and supply and their relation to the interest rate; exchange and banking; the history and development of banking in foreign countries; the organization, administration, accounting methods and examination of banks; clearing houses; savings banks and trust companies; loans and discounts; foreign exchange; collections and transits; stocks and bonds and public and private finance. At the conclusion of this course official examinations are generally held before proceeding with the second part or law course.

The law studies are designed to inform the banker on all points of law pertaining to his business and to enable him to decide promptly and intelligently the many problems continually confronting him. The lessons discuss the principles of commercial law; business contracts and their essentials; agency and trusteeship; partnership and corporations; negotiable instruments and the rights and liabilities of parties to bills and notes.

When the final examinations have been satisfactorily passed a certificate is issued signed by the educational director, the officers of the institute and the president of the American Bankers Association. These certificates are coming to be recognized by bankers everywhere and mark their possessors as professional men. As has been stated it was part of the purpose of the organization to unify and

(Continued on page 30)

JOHN McHUGH - President
JOHN J. LARGE - V.-Pres.
W. L. MONTGOMERY, V.-Pres.
HENRY G. WEARE - V.-Pres.
F. A. McCORNACK - V.-Pres.
H. A. GOOCH - Cashier
O. D. PETTIT - Asst. Cashier
FRITZ FRITZON, Asst. Cashier

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Iowa Banking News

By W. C. JARNAGIN

DES MOINES NATIONAL BANK

DES MOINES, IOWA

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C. S. HARRIS, Asst. Cashier

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An Up-to-Date, Conservative, Commercial and
Savings Bank that Makes a Specialty of
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Largest Bank in Clinton
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Cedar Rapids, Iowa

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As a Private Bank, 1877 As a National Bank, 1887
35 years of continuous, conservative and successful banking

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GEO. B. DOUGLAS, Vice-President MARTIN NEWCOMER, Asst. Cashier
KENT C. FERMAN, Cashier A. R. SMOUSE, Auditor

Accounts of Iowa banks invited. Reserve agents for national banks

BONDS FOR SALE

Town Bonds for \$4500, in denominations of \$100 bearing
5% interest from date. Bids close 2 p.m., July 15, 1912.

J. A. BROADIE, City Treasurer
PIERSON, IOWA

Des Moines, June 27.—Secretary P. W. Hall of the Iowa Bankers Association has compiled the official list of chairmen and secretaries of the various groups in Iowa. In full, the officials are as follows: Group 1: C. J. Wohlenberg, Holstein, chairman, and F. E. Frisbee, Sheldon, secretary; Group 2: E. W. Townsend, Lake City, J. F. Hutchinson, Rockwell City; Group 3: T. S. Hanson, Northwood, E. C. Moody, Nora Springs; Group 4: F. A. Schuetz, Lawler, A. J. Carpenter, Elkader; Group 5: Eugene Sullivan, Panama, H. N. Silsby, Missouri Valley; Group 6: A. E. Hindorff, Newton, S. J. Pooley, Grinnell; Group 7: B. E. Hakes, Williamsburg, C. W. Knoop, Waterloo; Group 8: J. W. Reihman, Grand Mound, F. J. Butzloff, Charlotte; Group 9: Webb Hultz, Chariton, Oscar Anderson, Lamoni; Group 10: S. F. McConnell, Bloomfield, B. P. Brown, Ottumwa; Group 11: H. S. Young, Winfield, W. F. Wilson, Washington.

D. L. Heinsheimer

While it is somewhat early in the season, a boom has been started for D. L. Heinsheimer of Glenwood for president of the Iowa Bankers Association when the convention meets at Des Moines next year. Charles Ellis, the well known Charles City banker, is also mentioned in connection with the office. Mr. Heinsheimer is a faithful member of the I. B. A. He retired recently from presidency of the Mills County National at Glenwood after many years of service. During the past year he was a member of the time lock committee. It is thought that the bankers will center upon him for the president to succeed Charles Shade of Rock Rapids and ask that Mr. Ellis not be considered until the following year.

Davenport Savings in New Home

The Davenport Savings, one of the best known of the many good financial institutions at Davenport, is now in its new home on the first floor of the McManus building. This is one of the locations that are desirable for banking purposes and the rooms have been remodeled and put in the best sort of shape. The Davenport Savings first opened its doors April 1, 1870. It had a capital stock of \$12,000. The bank has grown, however, and now is capitalized for \$300,000 with a patronage that cannot be excelled.

Back from Minnesota Convention

The Iowa delegation which attended the Minnesota Bankers convention consisted of President Shade, Ex-President Curtin, Ex-Treasurer Bagley of Mason City and Secretary Hall of Des Moines. These men report a most enjoyable convention. The subject of improved agriculture was the main topic at the Minnesota convention and the Iowans feel that they have absorbed pointers that will be of great value to them in pushing this cause in Iowa. Ex-President Curtin came from the convention to Des Moines, where he attended

a summer race meeting last week. As an admirer and judge of horse flesh, Mr. Curtin does not take a back seat for anyone in Iowa—or elsewhere.

Bank and Corporation Stock Unearthed

J. F. Wall, chief clerk in the revenue department of the state auditor's office, is authority for the statement that the new Iowa law on moneys and credits is responsible for the unearthing of thousands of dollars' worth of bank and corporation stock subject to taxation in Iowa. He says that when the reports are all in and the footings completed, there will be shown a big increase in the moneys and credits columns for which the bank and corporation stocks will be largely responsible.

Iowa Banking Notes

One of the fashionable weddings of northern Iowa was celebrated at the home of Congressman Gilbert N. Haugen, June 26th, when his daughter, Miss Norma, became the bride of J. O. E. Johnson, assistant cashier in the First National at Northwood. Congressman Haugen is president of the institution. The wedding was attended by many out of town guests and was one of the largest of its kind ever held in the state.

Aubrey Reynolds, assistant cashier of the Des Moines National, retires from that institution the first of July to enter the bond business, according to reports in Des Moines banking circles. He is a nephew of George M. Reynolds, Chicago, and of Arthur Reynolds, president of the Des Moines National and chairman of the executive committee of the A. B. A.

The Corn Exchange Savings at Elkhart was destroyed by fire in a conflagration that swept the business section one night last week.

A new bank is to be started at Minburn. E. D. Carter, cashier of the Peoples National at Perry, and J. R. Gardiner, well known Dallas county banker, are behind the movement, which promises to attain full speed within a few weeks.

W. J. Dunker has been elected cashier of the Farmers and Merchants Savings at Grand Mound.

The Melbourne Savings has increased its capital stock from \$11,000 to \$16,500.

The Davenport Savings has declared a regular quarterly dividend of 4 per cent, payable July 1st.

The Farmers Savings at Rudd is now running full blast. Ken E. Penny is cashier. He is a well known figure in Black Hawk county.

The final dividend is being paid to the creditors of the defunct First National at Chariton. The dividend now being paid is 4 per cent, making a total of 45⅓ per cent. It has been four years and eight months since Frank

R. Crocker's suicide revealed the insolvency of the institution.

The State of Blairsburg and the Ames Savings at Ames are among the progressive Iowa institutions which are planning new banking structures.

A new bank has been formed at Mondamin to be known as the Mondamin Savings, with a capital stock of \$35,000. J. L. McClannahan will be president.

President M. C. Terry of the Savings of Brighton has sold his interest in that institution, so it has been reported in Des Moines, although the name of the purchaser is not known here.

The First National at Spencer has begun work on the third and second floors of its structure. It expects to make extensive improvements.

Sioux City

By JOHN J. BIDDISON.

This was a bad week for bankers in northwestern territory. It saw the indictment of six on ten counts and the issuing of a warrant for another. The warrant is for E. H. Spicer, cashier of the Shelton National, Shelton, Neb., who disappeared and is accused of having left a shortage of between \$10,000 and \$20,000. Bank Examiner Nicholson, after going over the books, discovered some discrepancies and called them to the attention of the cashier. Spicer offered to make an explanation if given a little time. The little time was occupied in getting out of the building, jumping into an auto and "beating it." A bundle of currency amounting to \$500 is said to have disappeared about the same time. When last seen, Spicer had driven his car up to the Rock Island station in Lincoln and boarded the Chicago-Denver train.

The other bankers in trouble all are connected with the defunct Meade County National of Sturgis, S. D. Those indicted by the recent grand jury are D. A. McPherson, its president, who is also vice-president of the First National Bank of Deadwood; Cashier Harold M. Cooper, and Directors H. E. Perkins, H. O. Anderson, Frank M. Stewart and Chas. Francis. The cashier and directors are indicted for receiving money after the bank was known to be insolvent, and for being accessories to the crime, and the president and directors are indicted for having permitted stockholders to borrow more than 50 per cent of the capital.

In this connection, Mrs. Carrie L. Perkins, wife of the vice-president of the bank, has filed a petition in bankruptcy, her liabilities consisting of stock in the bank on which she cannot pay the assessment that has been levied.

Sioux City Banks Have Increased Deposits

A considerable increase in deposits and a remarkably large cash reserve in proportion to deposits is shown by the national bank statement for June 19th of local institutions. The salient figures of each are as follows:

	Available Cash	Deposits
First National . . .	\$2,507,383.99	\$7,228,707.13
Security National. .	1,413,638.46	3,995,775.11
Live Stock Nat'l . .	1,018,399.95	2,358,283.02
Bank of Commerce .	510,477.01	984,760.66
Northwestern Nat'l .	420,732.66	1,136,857.98

Among the Visiting Bankers

A. W. Ewart, president of the National Bank of Commerce, Pierre, S. D., was in Sioux City Saturday on his way home from the Republican convention at Chicago. Mr. Ewart is the Republican nominee for treasurer of South Dakota. C. T. Chubb, president of the Algona (Ia.) State, is in Sioux City visiting.

C. J. Wohlenberg, cashier of the Holstein (Ia.) Savings Bank, was in Sioux City on business Monday. W. A. Schaetzel, president of the Union County Bank, Elk Point, S. D., was transacting business at the First National Monday. John C. Clary, president of the Commercial Bank of Hornick, Iowa, was in Sioux City on business Tuesday.

South Dakota Banks

A compilation of statistics on South Dakota banks indicates that between the last bank call and that of April 20th, the total money on deposit in banks increased by \$2,636,650, to a total of more than \$73,000,000, of which \$23,000,000 was in the hands of national banks, and \$3,000,000 in savings banks or departments, bearing interest. The checking accounts amounted to \$31,000,000. The report is on 532 state and 102 national banks.

Banking Notes

Because the county commissioners refused to permit liquor selling in the town of Orient, S. D., even after the Teutonic community there had voted in favor of license, the one bank in the town is the object of a boycott by some of the people, who are withdrawing their money and threatening to start a bank of their own. It is said that deposits amounting to \$80,000 are affected by the efforts to get even with the offending cashier.

C. B. Holiday, of Mason City, Ia., and F. A. Ayres, of Lyton, Ia., have purchased the interest of C. B. Pope in the bank of Estalline, S. D. Mr. Holiday will become a director and assistant cashier, taking the place of Mr. Pope.

The controlling interest in the Farmers and Merchants State, Wessington, S. D., has been sold to J. D. McNair and outside interests. Mr. McNair becomes the new president.

The First National of Terrill, Ia., will erect a \$15,000 building.

John J. Large, vice-president of the First National of Sioux City, has been spending two weeks traveling over the territory, particularly central and eastern Iowa.

T. A. Black, vice-president of the Security National, with his wife, is attending the state convention at Belle Fourche, S. D. He will investigate the big government irrigation project while there.

TOURS OF YELLOWSTONE PARK

The American Tourist Association, with headquarters at 1418 Marquette Building, Chicago, is offering this year three very attractive tours of the Yellowstone Park, leaving Chicago July 2d, 10th and August 10th respectively. The first tour provides for eleven days in the Park, and consists of an extra day at each hotel, voyage on Yellowstone Lake, ascent of Mt. Washburn, all side trips in the Park, exclusively chartered stages, a day in both St. Paul and Minneapolis and carriages and automobiles. Tour No. 2, in addition to the things provided for in the first tour, with the exception of visiting St. Paul and Minneapolis, provides for a day in Salt Lake City, a day in Glenwood Springs, ascent of Pike's Peak, Crystal Park auto drive, Garden of the Gods drive and a day in Denver. Tour No. 3, in addition to the attractions provided by tour No. 2, furnishes two extra days at Cañon Hotel and a day in Minneapolis. The impression that one can make a successful tour of what aptly has been described as "Wonderland" seems to have been gaining general currency. One cannot adequately cover this wonderful country in less than eleven days. Indeed, twenty, or even thirty, would not be too much. Tour No. 1 enters and leaves the Park by Gardiner, Mont.; tour No. 2 is made via the Western Gateway; tour No. 3 enters the Park by the western entrance and leaves via Gardiner. Names of prospective travelers should be sent to the association as soon as a decision to join is reached. It is very important that names be sent early, as the number is limited, and it is necessary for the management to know what sleeping and dining car accommodations to provide and to arrange for registration at the Park hotels. Names may be withdrawn if it subsequently proves impossible to go. It is advisable to secure tickets four or five days in advance. In case anyone is unable to go the entire amount paid will be refunded. All arrangements can be made through the American Tourist Association, 1418 Marquette Building, Chicago.

IN THREE YEARS

In the three years from 1909 to 1912 the American Trust, St. Louis, has trebled its deposits.



HEBGEN ARCH, YELLOWSTONE RIVER

Superintendent of Farmers Institutes Talks to Bankers

H. H. Stoner at Belle Fourche shows how they can help South Dakota farmers. Practical talk by practical man

I have been requested to talk to you a few minutes upon the "Relationship Between the Banker and the Farmer." You men are bankers and I am a farmer, and it seems to me that no more pertinent subject could be discussed at this meeting. If I view the subject from my standpoint, it may not exactly harmonize with your ideas of the matter, but if it does not, I hope opportunity may be given for a free discussion of the subject.

South Dakota is purely an agricultural state and its wealth lies almost exclusively locked up in its lands. With the exception of the richest one hundred square miles on the face of the earth, known as the Black Hills region, South Dakota depends upon her agriculture to make her one of the leading states of the Union. In order that this may be consummated it is absolutely essential that a hearty co-operation be made to exist between the man who deals in money and the man who deals in soil. It has been stated, and rightly, too, I presume, that between seventy and eighty millions of South Dakota deposits belong to the farmers of South Dakota. This, in itself, should be an incentive to a closer relationship between the banker and the farmer. But while this is true in South Dakota, it is not the case in the older states of the East. There, the farmer, instead of leading the band, plays second fiddle, and in some instances he is reduced to beating the drum; and if he ever gets to beating the drum in South Dakota the whole band will more or less disintegrate. It is to prevent the farmer from being reduced to the drummer in the South Dakota band that I wish to talk to you to-day.

It is to be regretted that the farmer needs to be prodded in the rear occasionally in order to make him keep up with the procession, and the banker is about the best prodder with whom I have ever come in contact, and I am inclined to think, that for the welfare of this great commonwealth of ours, it would be well for him to constitute himself the Great High Mogul Prodder. Now, I would not dare say this were I not a farmer myself.

There are great potentialities locked up in the soil—potentialities sufficient to feed the world for all time, but it takes something more than muscle to unlock them and it requires something more than chance to conserve them after they are unlocked. When the Pilgrim Fathers landed on Plymouth Rock they found a land teeming with fertility. They had only to plant in order to reap a harvest. Here, corn and wheat and oats and barley were grown with unstinted plentitude without a single thought for the future. With plow and harrow and sickle and scythe they robbed the land of its fertility and left it a mere skeleton of its former self. And when the lands of Virginia would no longer support them in opulence they pulled up stakes and moved over into Ohio into newer pastures and to virgin soil. Here, in turn, they practiced the same system of land spoliation—taking all away and giving nothing in return. And then they moved over into Indiana, and then into Illinois; their eyes forever feasting on the land of the setting sun, where ran more babbling brooks, and greener fields nodded in the breeze. But the West is gone, a halt has been called, and we are brought face to face with a problem which must be solved or the ghoulish cry of hunger will be heard reverberating throughout the length and breadth of this land of ours in the not far distant future.

When southern Illinois was first settled it

was christened the "Land of Egypt," because the yield of crops in this locality was equal to that of the valley of the river Nile, but it was settled by a horde of land robbers; the very life-blood of the soil was taken away from it and nothing was returned in its stead; so the inhabitant of southern Illinois who once held the proud distinction of living in the most fertile spot on the face of the earth now blushes with shame when forced to admit that he lives in "Egypt." The phosphorus which nature originally put into the soil in southern Illinois is exhausted and it can be replaced only by the expenditure of hard cash. Into Illinois, the once boasted best agricultural state, they are to-day hauling commercial fertilizers not by the wagon load, or the car load, but by the train load, and they are paying millions of dollars a year for it; and now these same fellows are moving over into South Dakota, and unless an eye is kept on them, they will soon reduce our fair young state to penury. To forestall this wanton waste of fertility, I wish to speak for a time on the means by which this can be prevented.

There are ten elements necessary for the sustenance of plants. Three of these are found in the air and seven of them are found in the soil. We have no control over the atmospheric elements but we do have more or less control over the plant-food elements that are found in the soil. The elements in the soil which are necessary for the growth of vegetation are nitrogen, phosphorus, potash, lime, magnesia, sulphur and iron. Only three of these, however, are of particular interest to the farmer. They are the first three named: nitrogen, phosphorus and potash. These are the elements that first become exhausted in the soil. In practically all soils in South Dakota there is an abundance of lime, magnesia, sulphur and iron, but some of the agricultural lands of the West are poor in nitrogen, phosphorus and potash. A recent experiment, however, made at the Highmore Experiment Station, would seem to indicate that there is an abundance of phosphorus and potash in our South Dakota soil, but the same experiment proves beyond cavil that our soils are wanting in nitrogen content. Several plots of soil were treated by an application of commercial fertilizers. To one plot was added nitrogen, to another phosphorus, to another potash, to another nitrogen and phosphorus, to another nitrogen and potash, to another phosphorus and potash and to another was added nitrogen, phosphorus and potash. In every instance where potash or phosphorus was applied the yield was less than on the check plot which was situated in the immediate vicinity, but wherever nitrogen, whether alone or in combination with either potash or phosphorus or both the yield was decidedly greater than it was in the check plot. Where nitrogen was alone added the yield was much greater than anywhere else. This would tend to prove that the crying need of our soils in South Dakota is for nitrogen, and for nitrogen alone; and I want to make it plain, if I

can in this talk to-day, how the nitrogen content of our soils may be increased.

It must be understood that the plant foods which the soil contains were present in the original rock out of which the soil was made. When I say this, I must take exception to one of the plant foods, and that is nitrogen. Six of the seven elements necessary in the soil for the production of plants are natural ingredients of the soil; they were present in the rock out of which the soil was made, but nitrogen is not a natural ingredient of the soil. When the earth was made, nitrogen was left out. All of the nitrogen that the soil contains has been added to it from the outside. The source of the nitrogen in the soil is the humus which the soil contains. Humus is vegetation in a state of decomposition. Vegetation while growing absorbs nitrogen from the soil, and when the plant is mature it contains all the nitrogen that the growing plant obtained from the soil and when the plant dies and is turned under by the plow, it still retains all the nitrogen which the growing plant obtained from the soil. That plant finally decomposes, it rots or decays, in other words, and it still, at this time, retains all the nitrogen that the plant obtained from the soil. This then, is the source of the nitrogen content of the soil, and this is the element over which we have absolute control. If we control the humus of our soil we control the nitrogen content of the soil. If we would add nitrogen to our soil we must do it by adding humus to the soil, and in order to add humus to the soil it is absolutely essential that every particle of vegetation that grows on the land, or as much, at least, as is possible, should be returned back to the land to be converted into humus.

I remember well one day when the old home smoke house got on fire. It was worth not to exceed \$15 and it had about \$7 worth of meat in it. I can see on my father's face to-day the look of anguish as with hat off and disheveled hair he quickly turned the windlass on the well, and I can hear the screams of my poor mother as she stood paralyzed with hands aloft, and how my older sister and I carried water in a frenzy of haste and threw on the blazing building, and my poor little brother and sister as they screamed in unison with my mother, but to no avail; the whole structure burned to the ground. The gloom that settled on the face of that family, as we stood around the ruins of that \$15 smoke-house and \$7 worth of meat made an impression upon my mind that can never be eradicated from my memory, and yet, that very afternoon, we went into the cornfield and burned up \$220 worth of fertility in cornstalks and not a tear was shed and not a wail heard.

One ton of oats straw contains 12 pounds of nitrogen, two pounds of phosphorus and 21 pounds of potash, and the commercial value of this, if we went into the open market to purchase fertilizers, would amount to \$3.30. One day, a year ago last March, our train was stalled in the southeastern part of this state. This happened about 8 o'clock in the evening. I looked out from my car window and counted 19 bonfires on the south side of the track. I did not count them on the north side. These 19 bonfires were straw stacks going up in smoke, and in every ton of that straw that was being burned there was wasted, yes, actually wasted, \$3.30 worth of fertility. If a farmer has more money than he needs; if he is fixed like Rockefeller or any other "feller" and wants to get rid of his money, it would look

much better for him some morning when he is building the kitchen fire to put \$330 of money in his pocket-book and stick it into the kitchen stove and burn it up. This would answer the purpose equally as well as setting fire to a 100-ton oats strawstack and it wouldn't make nearly as much smoke, and all of his neighbors in twenty miles of him would not know what a wasteful farmer he was.

We raise two staple crops in this state, corn and small grains, and happily for the sanitary conditions of our soil, the poisons which emanate from the one is not particularly obnoxious to the other. Roughly speaking, it requires about two years for the soil, by natural means, to absorb and remove the poisonous matter added to it during the growth of a single crop, and taking advantage of this fact, then, we can see our way out of the difficulty. If small grain is raised on the land this year, and poisons are added thereby which it will require two years time for the soil to remove, and as corn is not materially affected by this poison, then, by planting corn next year on that same land the required time is given for the soil to purify itself of the small grain poisoning; and by following the corn with small grain the next year, the soil will have had time to purify itself of the poisons which the corn left behind. This is one reason, and a very important reason, why crops should be rotated, to keep the soil in a healthy, sanitary condition.

And now, what can the banker do to stop this wanton waste of fertility and loss in crop yields? And what can he do to increase the happiness, the thrift and the well-being of his farmer friend? The whole country is aroused by the necessity of practicing a better system of farming. Organization after organization is being formed in the Northwest for the purpose of increasing the agricultural output. The Council of Grain Exchanges is spending a million dollars to educate the farmers, with the end in view, that bread sufficient may be raised to feed our population. North Dakota has organized herself into a Better Farming League, and is placing an agricultural expert in every county, in order that the farmers may be taught advanced methods of farming. You ask "what can I do"? When you get home, gentlemen, call your farmers together, have them form a farmers' organization, help them to do it, and see to it that they stay organized, and then when something good comes along like Bert Ball and his million dollars for better agriculture they will be in shape to get part of it. Nothing can be done except by united effort. The reason that the farmer has not made more of himself is because he has been playing the game all alone; it is every fellow for himself, and the devil for the hindmost. The Farmers' Institute, an organization supported by the tax payers of the state, is visiting every town and hamlet in South Dakota, where its presence is welcome, and we are laying before the farmers the necessity of conserving the fertility and the moisture of the soil, of practicing a more rational system of crop rotation, of raising more and better stock. In short, we are trying to make of the farm a home where prosperity and contentment may reign supreme; but, we cannot do it alone; we must have your help. No other class of men are in a better position to render assistance to the farmer. If he has money, you handle it; if he needs money you loan it to him; you are at once his friend, his neighbor, and his benefactor. Get in closer touch with him, gentlemen. Take him into your confidence, invite him into your private office and talk these matters over with him. If he is making a mistake, tell him of it. If he is making a success, learn how he is doing it, and then tell his neighbors about it; and then when a farmers' institute is billed for your town see

to it that every farmer in your territory is apprised of its date and insist that he and his family take a day off and attend it. Have your business men offer a small premium for the best farm products displayed at the meeting. That is the way to have a successful farmers' institute in your town. Show the farmer that you are interested in him, and he will become interested in himself.

NEXT STEP IN AGRICULTURAL DEVELOPMENT

President J. L. Snyder of the Michigan Agricultural College told the bankers at Kalamazoo recently that "The next great step in agricultural development will be better business on the part of the farmer. This must come through co-operation. The business must be made large enough to justify the employment of a business manager and business methods.

"Agriculture includes many more persons than those who till the ground. All humanity is dependent upon the products of the soil. Manufacturing, commerce, social development and all progress would wane if agriculture were to decline. It is almost appalling when one stops to think how absolutely dependable we are, individually and as a nation, on the little crust of earth from six inches to a foot



L. W. NORMAN
Hertford
Member North Carolina Bankers Association Executive Committee

thick which covers this globe. All humanity has an inherent and inalienable interest in this thin crust of soil. Certain men may hold a legal title to it but it belongs to humanity, and every person, regardless of his business or his social status, is tremendously interested in agriculture whether he appreciates it or not.

"Because of our abundant food supply in the past, due to our large acreage of fertile land, this problem has not forced itself upon the attention of our people until recently. But we are now becoming awake to the fact that our public domain is gone. There is now practically no more good land open to settlers. The land under cultivation has been and is being robbed of its fertility. The consumption of our staple foods is rapidly overtaking production, and as a consequence higher and higher prices prevail. This condition has led all thoughtful people to stop and consider what the result will be if nobody cares.

"It is not the farmer's problem any longer; he is in position at last where he can take care of himself. He is nearest to the base of

supplies and will be the last one to suffer. The question as to whether the output from our farms shall increase in the future as fast as our population increases is of the greatest concern to every business, professional and laboring man in our country. It is therefore peculiarly gratifying that the leading business men—the bankers—should show an earnest desire to assist in bringing about better agricultural conditions. They are in position to render most valuable service. Many of them own farm property. This will make it easy for them to co-operate with the farmers along the line of organizations such as have been mentioned. In a certain section of Illinois the bankers have taken the initiative in this matter and are co-operating with the farmers and bearing a large proportion of the expense of experts who are employed to teach the farmers better methods of production.

"The bankers are in position to take the initiative in developing a system of financing agriculture. Such systems have been of untold value in the uplift of agriculture in Germany, France and other European countries. To place American agriculture on a permanent and successful basis, a system similar to that in use in the countries just mentioned must be put in force in this country. The members of this and similar organizations can very properly undertake this great and beneficial work. Agriculture is our greatest industry and the only industry which embraces in its interests all humanity. It is therefore fitting and proper that all, regardless of business or profession, should lend a hand. Make farming a better business, and people will return to the land. Make rural life and social and educational conditions better in the country and young people will not so readily be drawn away from the farm.

"The proportion of our people living in cities has about reached the maximum. If it still increases, those living on the land cannot produce sufficient food for all, and the prices of food will become so high that people will be forced to the country to find food and remunerative labor. It is to be hoped that this undesirable condition may be avoided by the helpful co-operation and assistance of such progressive and intelligent organizations as the Bankers Association of Michigan."

NORTHWEST LETTER

(Continued from page 22)

buy up whatever memberships come for sale in the course of business. At present anyone who wants a seat has to hunt for a prospective seller. It enables purchase of seats from estates. At the end of six years if a large amount remains the fund may be distributed to contributors.

Andrew Stevens, nephew of E. E. Bentley, chairman of the board of the Batavian National, La Crosse, Wis., and brother of Eugene M. Stevens, Stevens, Chapman & Co., commercial paper, was killed in an automobile accident Saturday.

A charter has been authorized for the State Bank of Maribel, Wis., incorporated by President Theodore De Wayne and Cashier Patrick J. Carberry.

Hardly organized itself, the new town of Baker, N. D., on the Drake-Fordville line of the Soo, just opened, has a \$10,000 bank, the State of Baker. George F. Orde of Minneapolis is one of the incorporators. Others are President E. Beissbarth and Cashier A. J. Scobbs of the First National of Brinsmade. Town lots are to be offered in the place as soon as the line is ready for business. The First State of Fillmore was the first bank in Benson county incorporated. Applications are ready for three more banks.

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FOR SALE—Miscellaneous

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r-A Graflex, 1C, Tessar lens, focal plane shutter (new out of stock), value, \$101.50. Sell, \$85.00 Cash. Address, X-55, Chicago Banker.

4x5 Goerz-Argo, latest model, Color lens, shutter from five seconds or time to 1-1000 second, case, holders and film pack adapter. Cost \$165.00, and like new, \$75.00. Address, X-66, Chicago Banker.

For Sale, 6 1/4-inch Goerz Dagor, Volute shutter. Value \$97.50. Sell for \$50.00, like new. Six-inch Dagor, Koilos Shutter, new. Cost \$95.00. Sell for \$40.00. Address, D-723, Chicago Banker.

FOR SALE—Real Estate

For Sale, Brick, stone trimmed house, semi-detached on south side avenue. Cost \$7,200 to build. Has barn. Sell for \$4,500 on terms. Address, A-163, Chicago Banker.

Books on Banking, Finance and Economics

Credit. By J. LAWRENCE LAUGHLIN, of the Department of Political Economy, University of Chicago. Postpaid, 53c. The nature of credit and its effect on prices have long been a subject of disagreement among economists. Its basis is commonly assumed to be money or bank reserves.

Essentials of Business Law. By FRANCIS M. BURDICK, LL. D., Professor of Law in Columbia University. 12mo. Postpaid, \$1.50. This book shows how the rules of law governing the commonest business transactions have been developed, and it tells what they are to-day. Technical law terms have been discarded as far as possible, and when they are used they are so explained and illustrated as to be easily understood. The principles of law are simplified and expressed in clear, lucid everyday speech.

Foreign Exchange. Tables converting foreign money into United States money, and United States money into foreign money at all commercial rates of exchange used in financial transactions between the United States and foreign countries. All about foreign exchange, including various forms of foreign commercial paper and terms, abbreviations, etc. For banks, bankers, steamship agents, importers, exporters and manufacturers. Cloth, \$5.00.

Government Regulation of Railway Rates. By HUGO R. MEYER. A Professor of Political Economy in the University of Chicago. Postpaid, \$1.60 net.

Investment Bonds. By F. LOWNHAUPT. Postpaid, \$1.00. Prospective investors who wish to make advantageous use of their money will do well to take notice of this volume. The author does not theorize, but tells only plain facts of the relation of the bond to its issuing corporation, and of the general investment aspect of the instrument.

Money and Credit. By WILBUR ALDRICH. Postpaid, \$1.37. This volume contains much valuable information and much sound discussion on money and credit.

The Banking and Currency Problems in the United States. By VICTOR MORAWETZ. The author takes up the problem of the national monetary commission, appointed by congress, and discusses the means of providing a permanent safeguard against money stringencies and panics. Postpaid, \$1.10.

The Principles of Money and Banking. By CHARLES A. CONANT. It is a new and complete exposition of its subject. Two volumes. Postpaid, \$4.25.

The Pitfalls of Speculation. By THOMAS GIBSON. Postpaid, \$1.20. A book dealing exclusively with marginal speculation, and analyzing in a clear and simple manner the causes of failure in speculation, with a suggestion as to the remedies.

The Use of Loan Credit in Modern Business. By THORSTEIN B. VEBLEN. Postpaid, 28c.

The Investors' Catechism. By M. M. REYNOLDS. Cloth, by mail, \$1.10.

"Investors' Catechism." Contains all that it is essential for the beginner to know, and opens the way for a thorough study of the whole subject of investment. The author has for the sake of clearness and simplicity adopted a catechetical style which is somewhat novel in this sort of literature.

History of Banking in the United States. John Jay Knox. \$5.00.

Practical Banking. Claudius B. Patten. \$5.00.

Modern Banking Methods. A. R. Barrett. \$4.00.

Elements of Foreign Exchange. Franklin Escher. \$1.00.

Gold Production and Future Prices. Harrison H. Brace. \$1.50.

Pushing Your Business. T. D. MacGregor. \$1.25.

Economic Causes of Great Fortunes. Anna Youngman. \$1.50.

Neglected Point in Connection with Crises. N. Johannsen. \$1.50.

Moneys of the World. James P. Gardner. 50c.

Bankers' and Merchants' Perpetual Maturity Guide. \$5.00.

Trust Companies—Their Organization, Growth and Management. Clay Herrick. \$4.00.

Savings Bank and Its Practical Work. Wm. H. Kniffin, Jr. \$5.00.

Practical Treatise on Banking and Commerce. George Hague. \$3.00.

Banker in Literature. Johnson Brigham. \$2.00.

Bank Directors—Their Powers, Duties and Liabilities. John J. Crawford. 50c.

Credit Currency. Elmer H. Youngman. 50c.

Natural Money. John Raymond Cummings. \$2.00.

Two Thousand Points for Financial Advertising. T. D. MacGregor. \$1.50.

All or any of the above books will be sent, carriage prepaid, by

THE CHICAGO BANKER,

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FIELD OF AMERICAN INSTITUTE OF BANKING

(Continued from page 25)

elevate the practices of banking, to raise the standard of its requirements and to make of the occupation of banking truly a profession. Literally speaking a professional man is one who is master of one of the sciences. We believe that banking is a science. It has not yet been entirely formulated but is in process of evolution. No one will deny that it has certain basic principles which if adhered to bring success and if disregarded precipitate failure. Herbert Spencer says, "What we call learning a business really implies learning the science involved in it."

It is the purpose of the American Institute of Banking to assemble, correlate and classify all available knowledge of the banking business, to deduct therefrom the basic facts and build with them the rudiments of this science. These elements of knowledge can be learned from books just as any other science can, but it is here that the superiority of our system of education manifests itself. As the institute does not confine itself to the knowledge acquired by experience and observation alone, it also does not confine itself to book learning only, but in the successful blending of the two does it reach the highest perfection in the dissemination of practical knowledge. John Ruskin stated a truth when he said, "The doing that makes commerce is born of the thinking that makes scholars." We are trying to teach the bank man to think, and then to act and to know the whyfore of his action.

The Institute still is young and it has much yet to learn in the task it is undertaking, but its field of usefulness is unlimited. In some chapters where the members have completed the prescribed course of study they have taken up more advanced work or particular studies and research in special branches of the banking business. In some of the larger chapters they have elementary work for the junior clerks embracing such studies as penmanship, English composition and public speaking. Debating has been a favorite field of endeavor in many places and some inter-chapter debates on the big banking problems of the day have exhibited such knowledge of the subjects by the contestants that their views have attracted the attention of bankers and statesmen. One chapter that I know of has a committee to investigate and report on all legislation affecting banking in that state. This it seems to me is a splendid idea. Bankers should not only keep themselves informed on banking legislation, but all affairs affecting the public interests. The banker can have a large influence in his community and it should be used to good purpose in public affairs.

BANK TAXATION IN MICHIGAN

Attorney H. H. Smith, of the Michigan Bankers Association, spoke at the Kalamazoo convention recently on the taxation of banks and bank deposits, reviewing the Michigan laws and customs on the subject in a very exhaustive manner. In concluding his remarks he said:

I have only intended in this brief address to outline the general question of bank taxation as applied to the property represented by the shares of stock in a bank. I have not intended to discuss, except by the briefest reference, the taxation of the deposits in the banks. In the year 1903 the State Tax Commission in its report dealt extensively with the taxation of credits. They pointed out that \$210,000,000 of bank deposits in the State were then subject to taxation, and that the law was ample in its provisions to bring this property upon the assessment rolls; and they suggested

that the bank deposits could be reached by requiring the banks to report the same and assessing them directly to the banks. This recommendation, however, has never been received with any warmth of approval either by the banks or by the depositors if, indeed, it could have been wrought into a constitutional law. In fact the trend of opinion has been away from the taxation of credits upon the ad valorem basis, and towards the taxation of credits under a specific tax. Since that date the mortgage tax law, which in the same report the Board of State Tax Commissioners discussed, but without approval, has been written upon the statute books, and though not enthusiastically approved by the bankers of the state, has, we think, demonstrated that it can bring upon the assessment rolls a great increase of values and consequent increase of revenue without any great loss to the banks and with some considerable gain to the investing public. In the report of the Commission on Inquiry, to which I have already referred, there is a distinct recommendation for the taxation of all securities, credits, upon a specific basis, and it is, we think, safe to say that the proposal to tax bank deposits to the bank has been relegated to obscurity. That these deposits are still as always subject to taxation to the individual is just, but the bank is not the keeper of the depositor's conscience, and upon him must rest the duty of reporting to the assessing officer the amount of his funds upon deposit.

In the City of Detroit some question has been made as to the nature of a bank deposit, and an attempt is in progress to treat the bank deposit as a chattel and not as a credit, so that the depositor cannot offset against it his indebtedness. The practical effect of such a ruling will, of course, be to wipe out this class of credits, for they are credits, and reduce the taxable property by just the amount they now appear upon the rolls, since if they are to be taxed as chattels, they will be withdrawn in the first week in April, and disappear entirely from the assessment rolls of the state. There could be no better illustration of the impossibility of reaching, under our present business system, by any inquisitorial methods, that form of property known as credits, and the taxation of the same on any ad valorem basis.

It is not the purpose of this address to attempt any solution of the general problem of taxation. It is only my purpose to attempt to clearly set forth the system of bank taxation in Michigan, and to suggest that the banks of Michigan now pay a greater rate upon the real value of their property, much of which if in the hands of individuals would be exempt from taxation, than does the private citizen, the farmer, manufacturer or the business man. The system under which the banks are assessed has in it many suggestions that could, with great prospect of improvement, be applied to the present system of taxing general property values of the state. But the banker can perform a service to the business community of Michigan, to its municipalities and its state government, in reference to all taxable property. He can hold up to every other taxpayer the example of a bank that pays upon the book value of its property, not upon 60 per cent of its cash value, as does the farm, not upon from 40 to 60 per cent of its cash value, as does the manufacturer and the residence owner and, by the encouragement of honest valuations, he can promote the movement for the just and equal distribution of the burdens of the state, and at the same time relieve his corporation of a considerable proportion of the taxes which it now pays at a higher valuation than almost every other form of capital within the state of Michigan, excepting the railroads.

MAINLY ABOUT BANKS AND BANKERS

(Continued from page 3)

all the time during his absence. The total figures now run almost to twenty-six millions.

CHARLES N. STEVENS, cashier of the City National at Evanston, is for the coming year president of Group 4 of the Illinois Bankers Association. He has been moved to issue a little "preachment"—as Hubbard would say—covering the purpose of making a bank statement. This is included in his folder for June 14th, which shows deposits of two and one-third millions.

BY bearing down just a little Col. Robert J. Lowry's national bank at Atlanta will round the five-million corner by the next statement. It lost out this time only "by a nose."

THOMAS B. PATON, general counsel of the American Bankers Association, has issued an opinion in pamphlet form on the congressional investigation of banks and trust companies which now is going on.

IF you do not receive a copy, and would like to look it over, address Mr. Paton at 5 Nassau Street, New York, which is the new address for "11 Pine Street."

"THE BANK WITH THE DIAMOND" is the new descriptive title of D. C. Wills in his advertising matter for the Diamond National at Pittsburgh.

"CRAZY SNAKE," chief of the Creek Indians in Oklahoma, is dead. He left a very handsome savings bank account and other provisions for his family with the First National of Seminole. The Indians of this tribe are among the most prosperous of the citizens of Oklahoma.

PRESIDENT ARTHUR REYNOLDS of the Des Moines National, in issuing his statement, makes use of this quotation: "Service, strength and satisfaction are the three essentials which make for the success of any business. They have been conspicuously exemplified in the policy of this bank, and its relations with its customers."

SECURITY NATIONAL of Minneapolis, of which J. S. Pomeroy is cashier, prints a view of the milling district of that great flour center on the front page of its statement-folder.

WE hear that another attempt is to be made at Peoria to decapitate the ex-presidents of the Illinois association from their on-the-council-for-life prerogatives. The "progressives" describe them as belonging chiefly to the "reactionaries," whatever that may mean.

WE suspect that George Woodruff will be running for governor one of these times. He's been "with" the farmer stuff right along and now he's started a bank for them. Now for the chin whiskers, George!

IT is denied that Hearst and Harrison slept together at Baltimore, but they were "keeping company" when the steam roller passed over.

PRESS reports sent out from the North Dakota convention announcing the election of Mrs. Batcheller of Fingal to membership on the Big Council have been corrected. Mrs. Batcheller will sit as a member of the nominating committee from her state. This in itself is something new in A. B. A. circles.

NO sooner had the existing title and trust companies of Chicago been consolidated than a new concern, styled "The Federal Title and Trust Company," was incorporated. This keeps up the custom in such matters.

CASHIER FRED W. KIESEL shows deposits of seven and one-half millions in the California National at Sacramento. The

bank has a capital and surplus of a million and a quarter. W. E. Gurber is president.

CH. HUTTIG, president of the Third National at St. Louis, has sent out formal announcement that his new vice-president, Frank O. Watts, of Nashville, will assume active duties July 1st.

MR. HUTTIG also writes that he confidently looks forward to resuming active duties at the bank at the end of his summer vacation in September. His friends and patrons of the bank are invited to call.

FOR the chairmanship of the Big Council there continues to be frequent mention of Jedyard Cogswell of Albany, also Joseph Wayne, Jr., of Philadelphia and T. R. Davis of Cincinnati. Northwest members of council are laying plans for the elevation of Joseph Chapman, Jr., to that distinguished position.

THE statement sent out by the Wisconsin National of Milwaukee shows just short of eighteen millions in deposits. This bank makes a specialty of bank and corporation accounts, and allows very liberal terms in handling them. L. J. Petit is president and L. G. Bournique is cashier.

SECURITY TRUST AND SAVINGS BANK, J. F. Sartori, president, publishes a very handsome house organ under the title of "The Savings Depositor." This little publication also is a boom-organ for the city of Los Angeles.

ALEX. D. CAMPBELL of the Hanover National accompanies the statement of that sterling organization with a personal letter, which, with their vast number of correspondents, entails considerable work. The deposits of other banks and bankers with the Hanover are nearly two to one as against individual deposits. They equal more than three-fifths of the total deposits, which are around one hundred and twelve millions.

SG. BAYNE, president of the Seaboard National, New York, sends out a little folder along with the bank statement, entitled "Great Irishmen." In this article Mr. Bayne denies the statement made recently in a New York paper that "Ireland never has produced a single man of note in the arts or sciences, nor contributed anything toward the advancement of humanity."

THE members of Group 1, Illinois, the mother group, met at Moline on the

Steamer "W. W.," endorsed George Woodruff of Joliet for chairman of the executive council, and instructed their representatives on the council to support his candidacy. This action was taken on the recommendation of Nelson H. Greene of Moline and was seconded by Charles Boyden, cashier of the Farmers State Bank of Sheffield. Ex-President of the Association Phil Mitchell attempted to stem the tide on account of his long-time friendship for Col. Aisthorpe of Cairo, but the members of Group 1, appreciating the work which has been done by Mr. Woodruff and his associates in developing the group system, were not inclined to discourage the youngsters.

CASHIER.

PRESIDENT KAUFMAN IS OPTIMISTIC

New York, June 27.—Louis G. Kaufman, president of the Chatham and Phoenix National Bank, one of the straight commercial banks in the Wall Street district, is of the opinion that the business of the country is in a position to move ahead and expand despite the disquieting features of the present political situation. Mr. Kaufman bases his view upon the strong cash position of the country's mercantile interests.

"Never in the history of banking, so far as I am conversant with it," said Mr. Kaufman, "has there been a time when the mercantile interests of the country have been so sound financially. Increased railroad facilities, low freight and express rates, have all contributed to obviate the necessity of an accumulation of stocks in merchants' hands. The result has been that the majority of merchants buy only for current needs, unless they endeavor to anticipate higher prices later on. This means that fewer stocks are now being carried."

"As for instance, I have before me the statement of a well-to-do merchant. This statement discloses the fact that he has upward of \$60,000 cash on hand; more than \$150,000 bills receivable, all of which are good, and only \$40,000 in merchandise. This is but typical, so that it is reasonable to presume that the mercantile interests of the country are practically immune from the dangers of a money panic. It is this liquid condition of assets throughout the country that makes me feel optimistic of the future."

GIFT OF LIFE INSURANCE TO BANK STAFF

Byron L. Smith, president of the Northern Trust Company, completed arrangements to insure every employee of that bank. The insurance will be taken out in the Equitable and the amount of the policies will reach a quarter of a million dollars. It is said to be the largest amount of "group" insurance ever taken out by a banking institution. The Northern Trust is the first bank in Chicago to insure its employees. Beginning with July 1st every person working for the bank from the office boy to the president will receive a certificate from the bank which will be similar to a life insurance policy. It will be for an amount equal to a year's salary, except in the case of high salaried employees, where a maximum has been set. Each employee may name his beneficiary. The bank will pay the premiums monthly to the Equitable. No physical examination will be required. The rates are decided upon for groups of 100, and no employee can be left out. His policy ends automatically when he leaves the service of the institution. The directors of the bank who adopted the plan expect to get a greater degree of efficiency from the employees through insuring their lives. They believe it will make positions more permanent.

Thomas Hanbeck has been chosen vice-president of the Farmers and Traders at Bonaparte, Iowa.

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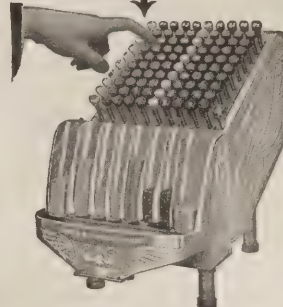
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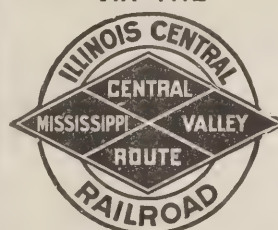
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